

Radcliffe Academy Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2020

**Company Registration Number:
09334026 (England and Wales)**

Period of account: 1 September 2019 – 31 August 2020

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Radcliffe Academy Trust
Reference and Administrative Details

Members	Gloria Walker Venetia Mayman Andrew Creese
Trustees	Emma Canter (Chair)* Gloria Walker* + Jessie Dobson – Parent Trustee *(Resigned 6.3.2020) Nicola Partridge – Headteacher * Jolie Kirby – Partnership Trustee (Resigned 6.03.2020) Emma Anderson – Partnership Trustee
	* members of the Business Committee
Company Secretary	Blake Morgan LLP

Radcliffe Academy Trust
Reference and Administrative Details (continued)

Senior Management Team

- Nicola Partridge Headteacher and Accounting Officer
- Jacqueline West Deputy Headteacher
- Joanna Robinson Assistant Headteacher (resigned 31.10.2019)
- Susy Morgan Assistant Headteacher
- Ryan Lloyd Assistant Headteacher
- Syrene Dixon Assistant Headteacher
- Beverley O'Toole KS3 & Bridges Programme Lead Manager
- Brenda Mundy Business Manager

Company Name Radcliffe Academy Trust

Principal and Registered Office The Harlow Centre
Raymund Road
Old Marston
Oxford
OX3 0SW

Company Registration Number 09334026 (England and Wales)

Independent Auditor Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Bankers Lloyds Bank
29 High Street
Chippenham
Wiltshire
SN15 3HA

Solicitors Browne Jacobson
Mowbray House
Castle Meadow Road
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NG2 1BJ

Radcliffe Academy Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 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 trust operates an Alternative Provision (AP) Academy, Meadowbrook College, for pupils aged 5 to 16 serving a catchment area across Oxfordshire. It has a pupil capacity of 106, there were 44 Single registered students plus 91 dual registered students in the school census on 16th January 2020. A census was not collected in May 2020 due to COVID-19.

Structure, Governance and Management

Constitution

The 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 academy trust. The trustees of Radcliffe Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Radcliffe Academy Trust.

Details of the trustees who served during the year, and to the date these accounts are approved 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

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed in accordance with the Articles of Association. All Trustees are recruited on the basis of possessing appropriate skills, a knowledge and understanding of education and in particular alternative provision.

Members may appoint up to 1 Trustee.

Parent Trustee vacancies are filled through advertisement and election. In appointing a Parent Trustee or Parent Member of a Local Governing Body or Advisory Body the Trustees shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Trustees may appoint:

- The Headteacher Trustee
- 1 person nominated by the Local Authority (LA)
- 1 person nominated by Oxfordshire Secondary School Headteachers' Association (OSSHTA) may be appointed as Partnership Trustee
- 1 person nominated by the VIP+ charity may be appointed as Partnership Trustee

Other Trustee appointments are addressed through personal recommendation and consideration by the whole Board of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees receive training on Academy Governance and Trustee's responsibilities through access to online resources. Specifically focused training sessions will be offered as required. In addition all Trustees visit the school throughout the year.

New Trustees receive an individual induction package tailored to meet the needs of the individual and, where necessary training is also provided on education, legal and financial matters. All new Trustees are given a tour of the Academy and the opportunity to meet students and staff.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Organisational Structure

The governance of the Academy Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education.

The Board of Trustees, which meets on at least three occasions a year, is responsible for the strategic direction of the Multi Academy Trust (MAT). The Board of Trustees delegates certain functions to one committee: the Business Committee. These meetings are attended by members of the Senior Leadership Team (SLT) and Senior Finance Manager. The committee sets the budget for the following year and the organisational staffing structure. Any decisions made at committee level are taken to the Board of Trustees for ratification.

The Headteacher is the designated Accounting Officer and has overall responsibility of the day to day financial management of the Academy Trust. The Headteacher has delegated responsibility for low values of expenditure. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy Trust on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets frequently to discuss emerging matters and to help develop strategies for future development to be put to the Headteacher and Board of Trustees for approval. Each member of the Senior Leadership Team has specific responsibilities to assist the Headteacher to manage certain aspect of the Academy.

Arrangements for setting pay and remuneration of key management personnel

Radcliffe Academy Trust has a pay policy which sets out the basis on which we determine teachers' pay. Senior Leaders who are qualified teachers are paid on either the Leadership scale or the Green Book scale; the range is decided by the Trustees, and their roles and responsibilities are defined in a job description. Qualified and Unqualified Teachers are subject to the School Teachers' Pay and Conditions Document (STPCD). All other members of staff are paid according to the Green Book and have had their pay scales evaluated as per the guidance. Progression through all pay scales at Meadowbrook College is determined following an annual Appraisal process which reviews targets set at an annual Appraisal/Performance Management Review. All staff working directly with young people will have three targets as follows:

- Whole-school progress target
- Target linked to reflection of the Teacher Standards or as defined in the job description (Green Book staff) known as Role-related Staff Standards accessed through Blue Sky
- Personal Development target - as identified through lesson observation/work scrutiny or 1-1 challenge & support meetings throughout the year. This target may also include a target to improve a colleague's leadership skills i.e. as a subject leader/programme leader/Team Leader
- Senior Leadership member targets will relate directly to the roles and responsibilities of their post e.g. teaching and learning/curriculum development/safeguarding.

Radcliffe Academy Trust
Trustees' Report (continued)

The Headteacher reviews the performance of all Senior Leaders. Deadlines for the reviews to be completed are as follows: all qualified/unqualified teachers, including Senior Leadership, should be completed by October 31 and all other staff by December 31 each year. Where targets have been met and a member of staff is recommended for pay progression, the Headteacher will consider these applications in the first instance and take the recommendations to the Trustee meeting in December each year for agreement

Any staff who are refused pay progression in any academic year will be able to appeal, should they wish, through the procedures for determining pay appeals, as found in the Pay Policy for Teachers.

The Trustees will determine the pay range of the Headteacher when they propose to make a new appointment or if there has been a significant change in the responsibilities of the Headteacher, or at any time if they consider it necessary to review the range to retain a Headteacher. The Trustees will decide a range of seven pay points from the range of points available for the Headteacher group of the school. The Headteachers pay range should only be reviewed if it is necessary to take account of a change of size or group of the school, or if there is a significant change to the responsibilities of the post or if a review is necessary to maintain consistency with pay arrangements for new appointments to the leadership team.

Trade Union Facility Time

The facility time data for the period 1 April 2019 to 31 March 2020 is as follows:

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£20,975
Provide the total pay bill	£2,764,086
Provide the percentage of the total pay bill spent on facility time	0.75%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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Related Parties and other Connected Charities and Organisations

Owing to the nature of the Academy's operations and the composition of the Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All such transactions are conducted arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Academy Trust maintains a register of pecuniary interests of the Board of Trustees which is regularly reviewed and updated.

Objectives and Activities

The key objectives have been to maintain effective governance and the required financial, business and educational systems and processes to enable successful operation as an AP Academy.

Objects and Aims

The Radcliffe Academy Trust delivers exceptional education and alternative provision for children and young people, regardless of their starting point: opening the door to the future of their choice

Objectives, Strategies and Activities

Our goals are to:

- Achieve outstanding educational provision
- Deliver the best Alternative Provision in Oxfordshire and beyond
- Expand and develop flexible education to meet the needs of all learners
- Have the capacity and expertise to deliver and develop professional educational practice across all schools
- Ensure our young people are fully prepared for their next and future destinations

During the year the Academy has:

- Trained a member of staff in the CDI Careers Leader Training with the Careers & Enterprise Company to ensure we had someone qualified to enhance our Gatsby Benchmark but also to allow us to provide in-house trained support to students
- Secured a higher percentage of students with 5 GCSE/Equivalent qualifications at Grades 1-9
- Secured a higher percentage of students with at least one grade 4 or higher at GCSE/Equivalent
- Secured a higher percentage of students with a qualification in both English and Maths passes at GCSE
- Significantly increased the number of passes achieved at both Level 1 and Level 2 and in a greater variety of subjects than in previous years
- Significantly increased the number of children achieving 5 or more GCSE/VOC Level 1 qualifications including English and Maths
- Enjoyed an increase in the success rates of PPG/SEN/LAC children achieving 5 or more qualifications at Level 1 and 2
- Ensured that all students graduate with at least one pass at GCSE/Vocational level
- Enhanced the IT provision available to both staff and students, and as a result the quality of the teaching for all students, with the introduction of Interactive screens in classrooms on the Oxford base and interactive whiteboards/projectors in classrooms on our other bases/programmes
- Developed our multi-agency working in order to best safeguard all children on our roll (dual/single) – engaging with Donnington Step, Youth Ambition, TVP, Social Care and CAMHS to ensure a multi-agency response for our young people struggling with outside influence
- Worked closely with Thames Valley Police and OCC CEF (Children's Social Care) through the MADE (Multi-Agency Drugs Exploitation panel) which improved our awareness and intelligence of the CSE/CDE picture in Oxfordshire and allowed us to share intelligence to more readily safeguard our

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Trustees' Report (continued)

students. This enhanced our profile and reputation in the county and we were recognised by the Oxfordshire Safeguarding Children Board as part of this group for the work we do to safeguard children in Oxfordshire

- Engaged in the ongoing site progress meetings with the DfE and Galliford Try as our new build progresses and ensuring our Service Providers were co-ordinated in line with contractor schedules
- Continued to expand provision to support the expanding numbers of exclusions in Oxfordshire through our Bridges provision and by supporting 'in-reach' as well as outreach for primary students
- Conducted the Academy Trust's business in accordance with the highest standards of integrity

Covid-19 response

We have inevitably been faced with additional challenges created by the Covid-19 pandemic for a large part of the academic year. Meadowbrook College was able to remain fully operational during the lockdown period (observing the protective measures and involving closure of some of our buildings/provision in order to manage staffing and resources most effectively). Examples of how we maintained provision for our young people educationally, socially and emotionally:

- Developed a programme of blended learning in order to meet the needs of all of our students – whether in school or at home during the partial closure period
- Worked closely with multi-agencies to prioritise the safeguarding of our young people at home self-isolating/shielding or in the non-'vulnerable' category and on lockdown
- Provided Free School Meals to all children eligible prior to the government introducing the voucher scheme
- Provided IT support, and devices, to children and families wishing to engage with online learning and being unable to because of a lack of resources
- Provided PPE to all staff, on all sites, to provide a level of reassurance where needed
- 'Bubbled' staff and students into three main sites in order to provide for the 'vulnerable' cohort but also to manage the mental health and well-being of our staff in a more manageable mode
- Developed a comprehensive programme of welfare checks for all students, particularly for those in our 'more vulnerable' (RAGd) category enabling us to have sight of our students on a regular, sometimes daily basis and to report any concerns swiftly to children's social care and/or the police
- Used Google Meet to ensure that the 'business' of the Academy continues to run smoothly and support the wider operation of the school

Trustees have monitored the progress towards the achievement of our aims through regular Trust Board meetings (including weekly remote meetings during the 'lockdown' period). The Headteacher provided comprehensive reports prior to lockdown, and then subsequent verbal reports in weekly meetings online during lockdown, in addition to senior leaders' reports, which allowed the Trustees to continue to monitor leadership of the academy and hold us to account in as 'normal' a fashion as possible. Student engagement and progress was monitored on a much more personalised level as the year progressed – contact with students and families was much more frequent than it would be when all students were in school and this gave us first hand ability to monitor and record the progress of each child (all logged on Schoolpod).

Public Benefit

The Trustees of Radcliffe Academy Trust confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The Academy provides education for students who are at risk of exclusion or are permanently excluded from mainstream schools and academies across Oxfordshire. Students are allocated places through the LA In Year Fair Access Panels (IYFAPs) or Schools/Academies directly commission provision for us on an individual needs basis. Outreach support and advice is also offered to schools through our Bridges provision, We also liaise closely with families, carers and other agencies such as the Police, Social Services, Virtual

Radcliffe Academy Trust

Trustees' Report (continued)

School, LA and voluntary groups to support provision for students on a multi-agency response basis where required.

Our services (and premises) have been used throughout the year by local primary and secondary schools as well as Oxfordshire County Council, to benefit children and young people across Oxfordshire and beyond. The majority of our students are referred to our Academy by schools and academies in Oxfordshire and by the Local Authority's Learner Engagement Team, the Virtual School and the Special Educational Needs (SEN) Service. Students come to Meadowbrook College for a variety of reason ranging from the risk of future exclusion to permanent exclusion. Children attend part-time or full-time, short-term or long-term: depending on the intervention required or the reason for their placement with us. We have a variety of programmes which are designed to meet the array of needs of the children referred to us or of the schools in Oxfordshire and beyond. Most of the children who have been permanently excluded move on to a new school. We also offer a bespoke service to schools and OCC in order that we can work with them to provide a solution for students who are at risk of disengagement or exclusion in their school.

Students come to Meadowbrook College from school years 1 to 11 (aged 5 to 16) and we support children who move on after year 11 into their next destination eg. College/Work/Apprenticeship. Children follow a variety of academic lessons at all ages but do not spend the 'normal' length of time with us as they would in a mainstream setting and so may study less subjects (KS3/4) or follow a themed approach at Key Stage 1 and 2, encompassing several areas of the national curriculum, whilst they are with us for a short period of time. At Key Stage 4 we provide a core curriculum of English, Maths and PSD and Option choices including Sport, Art, Sociology and Biology and Vocational/Technical subjects including Construction, Hospitality and Sport, Music Technology, Hair & Beauty and Childcare - with appropriate accreditation and qualifications for all learners, including statutory assessments at KS1 and 2 where appropriate. Baseline assessment is carried out with all learners who join us and the personal, social and academic skills and needs of all students are properly identified. An individual, customised programme is designed to help learners overcome their barriers to attainment, and improve their motivation, self-confidence, attendance and engagement with education. The Academy supports students with their next steps which may include transition support and reintegration into mainstream or special education, further education, training or employment. Preparation for the world of work, and skills for employment form an important part of our PSD programme as do essential topics such as personal identity, safe and healthy relationships, drug and alcohol awareness and personal finance.

Strategic Report

Achievements and Performance

The Academy Trust was incorporated on 1st December 2014. Meadowbrook College converted to Academy status and joined the Radcliffe Academy Trust on 1st February 2015. Meadowbrook College (as a local maintained provision) received a Short Inspection by Ofsted in January 2018 and was judged as 'Continuing to be Good'. Our Self-Evaluation compared well to the Ofsted inspection comments. Key areas of success to be noted from the inspection were:

- Under strong and dedicated leadership, you have implemented many successful changes which have enabled pupils to make positive strides in developing their social, emotional and academic skills
- Staff excel in developing students' skills in developing self-esteem and achieving success
- Pupils say that staff at the school really care about their well being
- Pupils behave well in lessons and have positive attitudes towards their work
- Parents are pleased with the school – happy with the support and encouragement their child receives
- Parents praised the therapy support we provide
- We pride ourselves on developing creative skills
- Work shows pupils have exceptional artistic and photographic skills

Ofsted areas to continue to develop matched our own self-evaluation:

- Ensuring the Maths and English curriculum at KS1-3 is well matched to the needs of the learners – we have recruited a new very experienced Primary Teacher to the Pioneers (Primary) Team and she is leading on the development of Maths Mastery teaching with our primary staff and also working closely with KS3 and 4 teachers on other programmes across the school
- Continue to develop the tracking methods for Progress/Achievement – Behaviour and Academic and across all provisions and subjects

Since taking up post in January 2016, Nicola Partridge has proved herself to be an outstanding Headteacher. Her innovative ideas, enthusiasm and energy have led to continuous improvement in Meadowbrook's offer to vulnerable learners and schools across the county. There have been several exam successes to note - with more students achieving more qualifications, more students achieving at least one qualification and several students achieving over 5 GCSE qualifications and a greater number of higher grades. The curriculum offered on KS3-4 bases and the variety of programme offer across the College is continuously developing and changing to meet the interests of the young people who attend the school.

Relocation of the Harlow base to Temporary buildings commenced at Easter 2019 to make way for the demolition to provision for The Swan School. The brand new Meadowbrook College site is delayed due to Covid19 lockdown restrictions and a lack of workforce so completion is on target for October 2020 with a handover, and move in, date of November 2nd 2020.

Key Performance Indicators

The Trustees receive regular information which enable them to monitor the performance of the Academy against its aims, the effectiveness of its strategies and its finances. The performance information since the Academy opened, shows good performance in all key areas including demand for provision, variety of provision, progress of students, stakeholder surveys and financial health.

The Academy measures its success through a series of performance indicators. These indicators comprise:

- Demand for provision from LA and local schools
- Student performance including accreditation outcomes and destinations
- Stakeholder survey outcomes
- Financial health

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Trustees' Report (continued)

Demand for provision from the LA continued to increase in 2019/20 due to the continued increase in the number of exclusions across the county in the last few years. Particular requests for additional provision have been made for:

- In-reach support for pupils on roll at a Primary schools but who need to spend some time off-site during the week
- KS3 places – increasing the number of places available to OCC and to schools, particularly for long term placements
- Requests from the LA to work with children who require bespoke 1-1 provision or from the Virtual School for children from a care-experienced background who are at risk of exclusion from mainstream schools or who need specialist support
- Bridges support – 1-1 'outreach' support for schools – continued to support students finding it difficult to attend school but the number of referrals stopped during the Covid-19 lockdown period. Characteristically this year students stayed for longer periods of time on Bridges – particularly during the Covid-19 period as students needed the continuity. We received 5 referrals during lockdown and several enquiries which resulted in referrals during the summer term when we returned to school.
- Our attendance has been impacted by the Covid-19 situation this year, and so a true picture of attendance is difficult. Attendance has fluctuated across the year (as is normal) between 65% in the first six months and 75% at the end of July. At its highest it was 96.15% during lockdown as we were asked by the DfE to record attendance with an X where Covid-19 was the reason for children being at home – which was a large percentage. Any 'absence' was related to illness – be that Covid symptom related, or otherwise. We were only able to have restricted numbers in school and carried out a risk assessment for each student in order to ascertain those who needed to be in school and those who could safely and effectively work at home. No comparison can be made with other AP/PRU statistics this year due to the difference in settings across the country. The students we had in school attended well and continued to engage with their learning when with us. Tracking attendance was particularly difficult this year due to Covid-19 lockdown – and all attendance was coded with an 'X' as directed by the DfE - but we kept a comprehensive tracker of all calls/personal face-to-face visits carried out by staff in order to 'welfare check' every child on a regular basis. Children were given a RAG rating (Red being of most concern safeguarding wise to Green not a concern at all and safe at home and likely to comply with lockdown measures). We maintained very close contact with the Police and Social Care, as well as other agencies where relevant for individual students, to make them aware of any issues/non-compliance being experienced during the partial closure period of lockdown. Going forwards we will continue to monitor, track and chase any non-attendance by students who should be in school.

Accreditation/Destination outcomes for 2019/20:

- 38% of students achieved 5 or more Grade 1-9 GCSEs or equivalent qualifications
- 38% of students achieved 5 or more Grade 1-9 GCSEs/equivalent qualifications including English & Maths
- 56% of students achieved at least 1 GCSE or equivalent qualification at Level 2 (Grades 4-9)
- 100% of students achieved at least one relevant qualification – 96% achieving at least 1 GCSE/Equivalent level qualification. We introduced Functional Skills/Step Up English and Gateway Science in order to support students who were performing under GCSE level
- 3% of students achieved a 4+ or above at English GCSE
- 10% of students achieved a 4+ in Maths GCSE which is much improved on previous years consistently around 4%
- Students achieved 100% pass rate in their Vocational/Technical qualifications in Sport & Active Leisure; Hospitality; Hair & Beauty; Construction and Photography

- Comparing to most recent national statistical release data (2018/19 year), Meadowbrook College students exceeded national performance for AP/PRU in the following areas (using available statistical release data:
 - 5 A*-G/1-9 100% Meadowbrook College against 58% national
 - 5 A*-G/1-9 including English & Maths Meadowbrook College 38%, 9.5% national
 - % 9-1 in English was 80% nationally and 87% for Meadowbrook
 - % 9-1 in Maths was 77% nationally and 81% for Meadowbrook
 - %9-1 in Biology was 73% nationally and 92% for Meadowbrook
 - % 9-1 in Art & Design was 94% nationally and 100% for Meadowbrook
- NEET figures dramatically improved in 2015/16 from 75% of students accessing Education, Employment or Training to 96% at the end of 2018/19. As we close the 2019/20 year, 26% of students remain NEET, 6% having an unconfirmed destination so this figure may be higher come the Autumn Term. 100% of the 74% of leavers were in Employment, Education or Training. We monitor this take up until February 2021 and take an initial data collection in October in collaboration with the county EET team. We have a number of students moving on to courses/apprenticeships/employment in subjects that they studied at Meadowbrook College – particularly in the Vocational/Technical arena (Hair & Beauty/Construction/Hospitality)

Key Stage 3

Attainment and progress at Key Stage 3 is defined by a variety of factors: successful reintegration back to the child's mainstream school, attendance, attainment of PiXL Arts Awards (where appropriate) and parent and school feedback.

It should be noted that numbers on the key stage 3 programmes were down on previous years due to the Covid-19 Lockdown and the lack of referrals received during this period due to building occupancy limitations.

- 25 students went through the **KS3 Discovery programme**. 4 (15%) went on to another Meadowbrook programme, 9 (33%) went on to another mainstream school, 10 (37%) went back to their referring school and 2 were still on programme at the end of the year not due to move on until the new academic year. 1 child moved out of Oxfordshire. Whilst numbers on the whole did not increase this year, the number of children moving on to another school or back to their referring schools successfully is a pleasing picture. Unfortunately we did have a number of children staying with us for longer periods of time than we usually provide for, a number of these have EHCPs.
- We did respond to the need for more 'base' provision for students of KS3 age on our Banbury and Oxford bases. West Bar supported 7 KS3 students this year – 1 went out of county, 3 (43%) went on to a new mainstream school and 3 (43%) as still with Meadowbrook in September as their new schools have referred them to us for support.
- **On Course** changed its format this year in response to increasing requests for additional provision. 67 students went through the On Course programme which split into three courses: Connected/FLO 9/Bespoke provision. In total 71 students accessed the three courses across On Course. 53 prior to lockdown and a further 18 in term 3. On Course was not 'full' at the end of the Summer Term because of Covid 19 and being unable to run the programmes on a live basis. On the **Connected** programme: 20 students attended term 1 and 2. 16 graduated, 1 completed and 3 were removed from programme. 1 student was permanently excluded from their school and 2 were removed from the programme by their school for non-attendance. **FLO 9** continued for a year and had a theme of Sport and Outdoor education with a focus on AQA Awards to give the students the opportunity for certification. 16 students accessed the programme, 4 students left or were removed and replaced with other students by their schools. **Bespoke** – Term 1 served students who had previously been on On Course but needed further support. Term 2 was for year 7s who struggled with secondary transitions and Term 3 was a FLO8/9 to give additional capacity to schools requesting more FLO.

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Trustees' Report (continued)

- Parent and School feedback following time on the On Course programme is consistently positive and we have received several notes of recognition/thanks from parents of children on our programmes which we have showcased on our website and in our brochure/flyer we intend to send to schools/LAs/Agencies in the new school year
- Future development work for KS3 programmes: On Course changed this year in response to requests from commissioners, particularly schools, for additional integration and support back in to school and also financial pressures in schools. The On Course team now offer three different programmes for schools to choose from:
 - Part-time intensive programme: Connected
 - FLO9
 - Bespoke group programme

The changes in programmes increased the total number of young people being supported and programmes were full throughout the spring and summer terms. The On Course programme was affected by the lockdown period and we will support the students affected with a bespoke service during the Autumn Term 20/21 based in the students' own schools. Discovery will move to The Forum with On Course so that our 'programmes' are all together on one site. The Discovery programme will also adapt to be able to cope with students spending longer periods of time with us and to introduce a larger English and Maths content into the curriculum to support students reintegrating/integrating into a new school. Students who find themselves spending a longer period of time with us will move on to 'base' provision in Banbury or Oxford.

Link Work

We introduced a new programme of support for schools/academies in 2018/19 which has grown in popularity as it offers schools the flexibility to support their own students on site and to direct the work that they wish the link worker to do with the children. Link Work during 2019/20 took place in 6 schools (2 new schools) and worked with 52 students. Some work was continued during the lockdown period at the request of schools.

Key issues:

- We continue to develop improved systems and structures to support our work and to ensure that the best possible opportunities are available for our students, leading to improved outcomes for all.
- Careful monitoring of expenditure is a high priority as we recognise that developments must be managed within a balanced budget and Covid-19 has resulted in us receiving less referrals in the latter months of the year as schools do not need to respond to behaviour difficulties in school in the same way. We anticipate increased levels of demand in future months after lockdown/easing of the pandemic as students have missed so much school and their difficulties will come to the fore.
- We will extend our strong partnership working with multi-agencies in Banbury, 'the South' and Oxford in particular to ensure we have a multi-agency approach to safeguarding our young people. We are well represented on the MADE/JATAC, Child Exploitation/Missing panels and will be joining the Violence Reduction Unit which will begin proper in the Autumn Term 2020. This will enable us to be more aware and be able to respond in a timely fashion to the increasing problems developing in Oxfordshire around CDE/CSE and Knife Crime.
- Close liaison with the Local Authority is important going forwards. OCC have confirmed that they would like Meadowbrook College to be the main provider of Alternative Provision in Oxfordshire and will, with a renewed Service Contract, work with us to develop provision but support us being funded for 106 places with the ESFA and will continue to fund the Top-up rate for provision at the current cost. In the past, OCC has approached Meadowbrook College directly for additional provision but going forwards this has been changed to link to a Dynamic Purchasing System whereby we would

tender for the provision with other service providers in the county. We have registered for this DPS ready for the autumn window opening.

- We will take the opportunity to develop our marketing with local schools, the local authority and local authorities in other areas/counties surrounding Oxfordshire. We will issue a Brochure/Flyer in September and offer commissioners the opportunity to attend a virtual 'roadshow'.
- We received notification at the end of the Summer Term that OCC did not wish to commission the Next Step provision from Meadowbrook College beyond 2021 Summer Term. We intend to keep Next Step running as a programme but offer it to schools and other neighbouring local authorities to access going forwards (we currently reserve all places for OCC).
- Financial pressures on schools, Oxfordshire is in the F40 group of schools, means that schools are finding it increasingly difficult to commission alternative provision: we will try to respond in a dynamic way in the coming months – particularly if faced with a second lockdown – taking provision to the school or student in order to continue to offer support
- Finally navigating and managing the transition to the new building in the Autumn Term.
- Governance and Trustee representation: we have had a number of trustees move on over the last few years which has resulted in the need for us to seek additional representation through a recruitment round during the end of the academic year ready for appointment in the new Autumn term.

The number of students who are given Local Authority places at Meadowbrook College will fluctuate throughout the year. At any one time in the year we refer to our 'Full Time Equivalent' (FTE) figure. As students return to new schools and we expect new students following a Referral and Induction process, the 106 number will change. Schools also apply for places on our Technical/Vocational courses and this is on a commissioned basis so will take our FTE number over the 106 throughout the year

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the 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

The principal sources of funding for the Trust are the General Annual Grant (GAG) and 'top up' funding from the LA. For the period 1st September 2019 to 31st August 2020 the Trust received £2,643k of GAG and LA 'top up' funding. In addition the Trust receives other grants from the Education and Skills Funding Agency (ESFA) (£58k) and generates income from alternative provision and services made to local schools (£706K). A high percentage of this income is spent on wages and salaries (86%) to deliver the Academy's primary objective of the provision of alternative education.

The Trust received £6K of Devolved Formula Capital Grant (DFCG) capital funding during the period which was unspent at 31st August 2020. The Trust was successful in obtaining a Condition Improvement Fund grant towards safeguarding works at two of our sites (£272,723), we have to date received £218k of the funding and spent £144k to the end of August 2020. The works will be complete and the funding spent by November 2020.

Radcliffe Academy Trust

Trustees' Report (continued)

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs. The Trustees aim to set a balanced budget with annual income balancing annual expenditure.

The Trustees review the reserves level annually. This review encompasses the nature of income and expenditure together with the need to match income with commitments and the nature of reserves. The Trustees have taken the decision that the appropriate level of free reserves should be available to be equivalent to one month's gross salary expenditure which is currently £265. The reserve for 2020-21 will be £554k, of this £289k is the free reserves. The reason for this is to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a buffer to deal with unexpected emergencies such as maintenance and repairs.

Due to the accounting rules for the Local Government Pension Scheme (LGPS) under FRS102, the Academy is recognising a significant pension fund deficit of £2,878k. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

On 31 August 2020 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value of Fixed Assets and Pension Deficit):

	£
Unrestricted General Funds	313,511
Restricted Capital Funds	167,296
Restricted General Funds	<u>202,339</u>
Reserves at 31 August 2020	<u>683,146</u>

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

Investment Policy

The aim of the policy is to ensure funds that the Academy Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Academy does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

Decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts.

A sufficient balance must be held in the current account so that the Academy's financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future need and kept under review.

During 2019-20 we were predicting a balanced budget to assist with the overspend from the previous year. This resulted in no funds being invested during the year.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Business Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

- As an Alternative Provider Academy, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity. However, the Academy has considerable reliance on Government funding through the ESFA and on 'top up' funding from the LA, there is no assurance that LA or Government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms

The Trustees assess the other principal risks and uncertainties currently facing the Trust as follows:

- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning
- A proposed move to new premises, the planning discussions, building programme and subsequent move are all possible distractions from the key educational purpose of the Academy. Staffing time and Headteacher involvement must be measured and effective in ensuring that any new building programme and its attendant meetings, discussions and implementation do not impact adversely on the core mission of the Academy – outstanding education for children and young people.
- Fraud and mismanagement of funds - The Academy has appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff and Trustee awareness.

In the period 1st September 2019 to 31st August 2020 financial systems have been internally and externally audited and prioritised reports received.

Fundraising

No fundraising activity was undertaken this year.

Plans for Future Periods

The Trust will continue to develop and implement the strong strategic direction it has identified since its conversion to Academy Status on 1st February 2015. We continue to consider expansion by inviting other schools to join, exploring opportunities to join another trust or to respond to the need to increase the number of schools through the Free School Wave option and to expand through a Free AP/SEND School.

The Strategic Improvement Plan sets out our priorities specifically, and informs our meeting agendas. Our key priorities were:

- (1) to Develop our Offer so that students in the county are never without suitable provision; partners are able to choose from a variety of provision; and we continue to demonstrate value for money to our commissioners
- (2) Transitions: to increase the number of students in Post-16 provision; successfully reintegrate students back into their mainstream or specialist provision following PEX; develop students skills and confidence to help them transition more successfully and for a sustained period of time
- (3) to improve Engagement by developing students' personal, emotional and social skills; to equip staff with knowledge and skills to engage the students in the classroom through quality teaching and learning; to build resilience and confidence and empower staff to support students to make informed choices.

The Academy will continue to strive to meet its key objectives and deliver outstanding opportunities for its students. Our focus is strong governance and leadership, proactive strategic planning, sound financial planning, continuing staff development and succession planning. We have a number of staff on leadership training courses with the Oxfordshire Teaching Schools Alliance – all currently sitting in middle leadership positions; one member of staff working on Mastery maths with Astra Teaching Schools Alliance in Buckinghamshire; one member of staff studying for a Social Work degree and one studying Thrive Approach training. All of these personal development opportunities will benefit the school as a whole as colleagues share their expertise and skills with the wider workforce.

Funds Held as Custodian Trustee on Behalf of Others

The trust holds no Assets and Funds as Custodian Trustee on behalf of others.

Auditor

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11 December 2020 and signed on the board's behalf by:



Emma Canter
Chair of Trustees

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times and there has been 2 additional meetings held due to COVID-19 during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible	Appointed during 2019/20	Resigned during 2019/20
Gloria Walker	6	6		
Jolie Kirby	2	4		06.03.2020
Emma Canter	6	6		
Emma Anderson	6	6		
Nicola Partridge	6	6		
Jessie Dobson	1	4		06.03.2020

Resignations and Appointments during the year;

- There were two resignations and one new appointment during the year.

Particular challenges which have occurred for the board during the year:

- The COVID-19 Global Pandemic. The response has been a team effort, with Trustees spending time weekly with the Headteacher to assure that the risks were being managed and guidance and advice could be provided appropriately. The Leadership team played a key role in ensuring that pupil contact was appropriate. Teachers and Support Staff worked significantly between February and July, often giving up personal time during what would normally be school holidays.
- The new building in Central Oxford continues. This has been less of a time investment, but will feature next year as we prepare for and move into the new school buildings.
- Defining and creating clarity on the relationship and structure between the Trust and the Local Authority. This remains ongoing and in development. This has required investment from the Chair of Trustees, Chair of Business Committee, the headteacher and leadership team. Clarity has been gained on the requirements for 2020-2021.
- Budget and cost management. This continues to remain a key focus for the Trust.
- The Trusts future has also created discussion and focus. We initially looked to merge with another local Trust, however, for strategic reasons decided this wasn't the right decision for us. Following this, we've developed a new structure and are in the process of recruiting new governors to support the ongoing development of both the Radcliffe Academy Trust and Meadowbrook College.

Governance Reviews

Following last year's identification to join another Trust, progress resulted in us deciding to remain as a standalone academy. We recognise the niche nature of the provision we provide, and that if any future merger was considered we would highly likely look for an Academy of similar nature to our own. With this decision made, we quickly found ourselves faced with COVID-19.

COVID-19 presented many challenges, and the Trust Boards focus became to support Risk Management and provide emotional and well-being support to the Headteacher during a very challenging and unique situation. This will highly likely continue throughout the 2020-2021 academic year. During this time, when teachers, leadership and support staff were working long hours and through school holidays, we as a Trust Board focussed our attention on being available when needed and providing assurance around risks. This wasn't a time to be looking at growth or development.

The new build in our Central Oxford location has progressed well throughout the academic year, and we look forward to being able to move in during the winter term of 2020-2021. This has required less investment from the Board, but a physical inspection occurred just before lockdown, and the Board were impressed with the new opportunities that the building will provide.

Towards the end of the academic year, we have started to turn our attention to recruiting new governors to a slightly altered structure for the upcoming academic year. These governors will focus on the education and business aspect of Meadowbrook College, allowing Trustees to take a more holistic role in developing and growing the Trust. We're hoping with an increase in skills and experiences this will allow for more breadth as we move forward.

The Chair of Trustees has undertaken visits to all provisions, and is delighted with the commitment of both staff and pupils.

Governance Reviews

Committees

The Business Committee is a sub-committee of the main Board of Trustees. Its purpose is:

1. To review the Academy Trust's internal and external financial statements and reports to ensure that they reflect best practice and meet statutory guidelines
2. To consider all relevant reports, including reports on the accounts, achievement of value for money and the response to any External audit management letters
3. To review the effectiveness of the internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner
4. To ensure that best practice is adopted and that internal systems and outcomes of the Academy Trust meet with the specified standards set out by the ESFA in the Academies Handbook
5. To implement and regularly review the Risk Register
6. To consider internal and external finance reports, and the arrangements for their implementation
7. To monitor the effectiveness of any agreed audit recommendations
8. To consider any other business related matters where requested to do so by the Trustees
9. To report at least twice a year to the Board of Trustees on the discharge of the above duties
10. To evaluate and monitor the Business Continuity Plan
11. To receive reports and make recommendations to the Board of Trustees in relation to Health & Safety and Sites & Buildings

Key issues for the Business Committee were:

- Clear understanding of budget pressures and monitoring spend
- Ensuring value for money
- Ensuring that legal requirements were all satisfied
- Maintaining a balanced budget
- Receiving Health and Safety reports and updates on premises
- Discussion of business development opportunities
- Improving our management and reporting on risks and ensuring key management team members were held accountable
- Monitoring Traded Spend in line with the overall Budget projections

Radcliffe Academy Trust

Governance Statement (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings	Out of a possible
Emma Canter	3	3
Gloria Walker	3	3
Nicola Partridge	3	3
Jessie Dobson	0	0

The Business Committee also acts as:

- an Audit Committee
- a Health and Safety Committee
- a Business Development Committee

Review of Value for Money

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

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

- Benchmarking comparisons as shared by the ESFA showed that we were scoring well in comparison to similar schools. Our support staff salary figure is slightly higher than average but this is due to the nature of our provision and the need to have more additional staff to support learning in the classroom or behaviour outside of the classroom. We have been replacing support staff, who were in teaching positions in previous years, with qualified teaching staff.
- We had a number of staff move on leaving vacancies which we were able to delay the replacement of due to being in lockdown. We chose to centralise the teaching online and pooled resources from other programmes in order to save costs during the lockdown period as we were having to spend on PPE and protective measures in order to respond to the HSE guidance for Covid-19.
- Trust staff continue to access subsidised courses through OTSA and a variety of training courses through the PiXL package we buy in to. We have a number of qualified 'trainers' on the staff who deliver training to staff which results in a considerable saving than if outsourced eg. Restorative Practice/Team Teach/Safeguarding generalist training
- Output indicators – GCSE Attainment and Progress – indicate that students exceeded other AP schools nationally (except %5 GCSEs Graded 4-9 incl. En & Ma)
- We continued to increase our Gatsby benchmark data and Compass measures by increasing the careers education content through the PSD qualification, increasing the 'advice and guidance' given to students on all sites and including dual registered students and acquiring Work Experience placements for students in order to enhance their apprenticeship opportunities. EET figures at the end of 2019/20 were significantly affected by the Covid-19 lockdown period but we are making use of the DfE Transition Funding to support students into the Autumn Term and working with them to apply for College placements/jobs/apprenticeships and secure destinations for all of our year 11 students.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The board of trustees has considered the need for specific internal audit function and has decided:

- To go out to tender for new internal Auditors in 2020-21

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

- Budget compilation. Review of the current approach taken and the assumptions used to produce the budget figures that are then communicated to the Trustees and the Education & Skills Funding Agency.

The internal auditor reported to the board of Trustees once during this year and the work was delivered as planned.

Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 11 December 2020 and signed on its behalf by:



Emma Canter
Chair of Trustees



Nicola Partridge
Accounting Officer

Radcliffe Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Radcliffe Academy Trust I have considered my responsibility to notify the academy trust's 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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



Nicola Partridge
Accounting Officer

11 December 2020

Radcliffe Academy Trust

Statement of Trustees' Responsibilities

The trustees (who act as governors of Radcliffe Academy Trust and 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 11 December 2020 and signed on its behalf by:



Emma Canter
Chair of Trustees

Opinion on financial statements

We have audited the financial statements of Radcliffe Academy Trust ('the academy trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2019 to 2020 issued by the ESFA.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Report of the Directors and 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 25), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 Report of the Independent Auditors.

Radcliffe Academy Trust

Independent Auditor's Report to the members of Radcliffe Academy Trust (continued)

Use of our report

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



Andrew Rodzynski (Senior statutory auditor)
For and on behalf of Critchleys Audit LLP
Statutory Auditor
Oxford

Date: 14 December 2020

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

Radcliffe Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Radcliffe Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 October 2017 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 Radcliffe Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament, and the financial transactions conform to the authorities which govern them.

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

The accounting officer is responsible, under the requirements of Radcliffe Academy Trust's funding agreement with the Secretary of State for Education dated 29 January 2015 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 period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

1. Reviewing the minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information.
2. Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
3. Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
4. Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
5. Consideration of whether activities carried out are within the charitable objects.

Radcliffe Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Radcliffe Academy Trust and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Use of our report

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



Critchleys Audit LLP
Reporting Accountant
Oxford

Date: 14 December 2020

Radcliffe Academy Trust
Statement of Financial Activities
For the period ended 31 August 2020
(including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019/20 £	Total 2018/19 £
Income and endowments from:						
Donations and capital grants	2	-	-	5,924	5,924	295,662
Charitable activities						
Funding for the Academy's educational operations	3	-	2,701,063	-	2,701,063	2,631,065
Other income for educational operations	4	706,427	-	-	706,427	671,847
Other trading activities	5	-	-	-	-	112
Investments	6	199	-	-	199	248
Total		706,626	2,701,063	5,924	3,413,613	3,598,934
Expenditure on:						
Charitable activities						
Grants						
Academy's educational operations	7,8	706,427	2,936,393	71,924	3,714,744	3,686,617
Other					-	-
Total		706,427	2,936,393	71,924	3,714,744	3,686,617
Net income / (expenditure) before transfers		199	(235,330)	(66,000)	(301,131)	(87,683)
Transfers between funds	15	-	-	-	-	-
Net income/(expenditure) for the period		199	(235,330)	(66,000)	(301,131)	(87,683)
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	15,24	-	460,000	-	460,000	(920,000)
Net movement in funds		199	224,670	(66,000)	158,869	(1,007,683)
Reconciliation of Funds						
Funds brought forward at 1 September		313,312	(2,900,331)	1,215,009	(1,372,010)	(364,327)
Funds carried forward at 31 August		313,511	(2,675,661)	1,149,009	(1,213,141)	(1,372,010)

All of the Academy's activities derive from continuing operations.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Radcliffe Academy Trust
Balance sheet
As at 31 August 2020

Company number:
09334026

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		981,713		922,784
Current assets					
Debtors	13	362,536		435,901	
Cash at bank and in hand		<u>560,302</u>		<u>423,951</u>	
		922,838		859,852	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(239,692)</u>		<u>(145,646)</u>	
Net current assets			683,146		714,206
Total assets less current liabilities			1,664,859		1,636,990
Net assets excluding pension liability			1,664,859		1,636,990
Defined benefit pension scheme liability	24		<u>(2,878,000)</u>		<u>(3,009,000)</u>
Net (liabilities)/assets including pension liability			<u>(1,213,141)</u>		<u>(1,372,010)</u>
Funds of the academy:					
Restricted fixed asset funds	15		1,149,009		1,215,009
Restricted income fund	15	202,339		108,669	
Pension reserve	15	<u>(2,878,000)</u>		<u>(3,009,000)</u>	
			(2,675,661)		(2,900,331)
Total restricted funds			<u>(1,526,652)</u>		<u>(1,685,322)</u>
Unrestricted income funds	15		313,511		313,312
Total funds			<u>(1,213,141)</u>		<u>(1,372,010)</u>

The financial statements on pages 31 to 54 were approved by the trustees and authorised for issue on 11 December 2020 and are signed on their behalf by:

Emma Canter

Emma Canter
Chair of Trustees

Radcliffe Academy Trust
Statement of Cash Flows
For the period ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	261,081	(287,824)
Cash flows from investing activities			
	20	(124,730)	273,115
Cash flows from financing activities			
		-	-
Change in cash and cash equivalents in the reporting period		<u>136,351</u>	<u>(14,709)</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September		423,951	438,660
Cash and cash equivalents at 31 August	21	<u><u>560,302</u></u>	<u><u>423,951</u></u>

All of the cash flows are derived from continuing operations.

1 Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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.

Radcliffe Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The academy is in a net liabilities position due to a large pension deficit provision. The existence of this pension deficit is not considered to be a threat to going concern on the basis that the liability is not expected to crystallise in the near future.

Income

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

Grants

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

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

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

Sponsorship Income

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

1 Statement of Accounting Policies (continued)

Donations

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

Other Income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets (excluding transfers on conversion/into the academy trust)

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

1 Statement of Accounting Policies (continued)

Intangible Fixed Assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Tangible Fixed Assets

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

The property transferred on conversion has been valued on a depreciated replacement cost basis which is not representative of market value (see note 12 for further details).

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

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

Leasehold buildings	20 years from conversion
Leasehold improvements	10-20 years
Fixtures, fittings and equipment	7 years
ICT equipment	5 years
Motor Vehicles	5 years

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 Statement of Financial Activities.

Liabilities

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

Provisions

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

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

Leased Assets

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

1 Statement of Accounting Policies (continued)

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised costs as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the 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 academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

1 Statement of Accounting Policies (continued)

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 24).

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA capital grants				
ESFA capital project funding	-	-	-	272,723
Devolved formula capital grant	-	5,924	5,924	13,219
Other DfE Group capital funding	-	-	-	9,720
	<u>-</u>	<u>5,924</u>	<u>5,924</u>	<u>295,662</u>
	<u>-</u>	<u>5,924</u>	<u>5,924</u>	<u>295,662</u>

The income from donations and capital grants was £5,924 (2018/19: £295,662) of which £Nil was unrestricted (2018/19: £Nil), £Nil restricted (2018/19: £Nil) and £5,924 restricted fixed assets (2018/19: £295,662).

3 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,060,000	1,060,000	1,070,257
Other DfE Group grants	-	49,700	49,700	48,246
	<u>-</u>	<u>1,109,700</u>	<u>1,109,700</u>	<u>1,118,503</u>
Other Government grants				
Local authority revenue funding	-	1,583,277	1,583,277	1,512,562
	<u>-</u>	<u>1,583,277</u>	<u>1,583,277</u>	<u>1,512,562</u>
Exceptional government funding				
Coronavirus exceptional support	-	8,086	8,086	-
	<u>-</u>	<u>8,086</u>	<u>8,086</u>	<u>-</u>
	<u>-</u>	<u>2,701,063</u>	<u>2,701,063</u>	<u>2,631,065</u>

The funding for the academy's educational operations was £2,701,063 (2018/19: £2,631,065) of which £Nil was unrestricted (2018/19: £Nil), £2,701,063 restricted (2018/19: £2,631,065) and £Nil restricted fixed assets (2018/19: £Nil).

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

- The funding received for coronavirus exceptional support covers £8,086 of costs for additional cleaning and premises costs and food vouchers. These costs are included in notes 7 and 8 below.

Radcliffe Academy Trust
Notes to the financial statements
For the period ended 31 August 2020

4 Other income for educational operations

	Unrestricted Funds	Restricted Funds	Total 2019/20	Total 2018/19
	£	£	£	£
Catering income	1,298	-	1,298	3,401
Other income	705,129	-	705,129	668,446
	<u>706,427</u>	<u>-</u>	<u>706,427</u>	<u>671,847</u>

The other income for educational operations was £706,427 (2018/19: £671,847) of which £706,427 was unrestricted (2018/19: £671,847), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

5 Other trading activities

	Unrestricted Funds	Restricted Funds	Total 2019/20	Total 2018/19
	£	£	£	£
Hire of facilities	-	-	-	112
	<u>-</u>	<u>-</u>	<u>-</u>	<u>112</u>

The other trading activities income was £Nil (2018/19: £112) of which £Nil was unrestricted (2018/19: £112), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

6 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2019/20	Total 2018/19
	£	£	£	£
Short term deposits	199	-	199	248
	<u>199</u>	<u>-</u>	<u>199</u>	<u>248</u>

The investment income was £199 (2018/19: £248) of which £199 was unrestricted (2018/19: £248), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

7 Expenditure

	Staff Costs £	Non Pay Premises Costs £	Expenditure Other Costs £	Total 2019/20 £	Total 2018/19 £
Academy's educational operations					
Direct costs (note 8)	2,589,192	-	72,981	2,662,173	2,587,533
Allocated support costs (note 8)	688,166	123,479	240,926	1,052,571	1,099,084
	<u>3,277,358</u>	<u>123,479</u>	<u>313,907</u>	<u>3,714,744</u>	<u>3,686,617</u>
	<u>3,277,358</u>	<u>123,479</u>	<u>313,907</u>	<u>3,714,744</u>	<u>3,686,617</u>

The expenditure on raising funds was £Nil (2018/19: £Nil) of which £Nil was unrestricted (2018/19: £Nil), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

The expenditure on academy's educational operations was £3,714,744 (2018/19: £3,686,617) of which £706,427 was unrestricted (2018/19: £671,847), £2,936,393 restricted (2018/19: £2,944,133) and £71,924 restricted fixed assets (2018/19: £70,637).

Net income/(expenditure) for the period includes:

	2019/20 £	2018/19 £
Operating lease rentals	2,773	2,773
Depreciation	71,924	70,637
(Gain)/loss on disposal of fixed assets	-	(94)
Fees payable to auditor for:		
Audit	6,400	6,100
Other services	5,830	6,825
	<u>5,830</u>	<u>6,825</u>

Included within expenditure are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000 Amount £	Reason
Unrecoverable debts	143	-	-

8 Charitable activities

	Total 2019/20 £	Total 2018/19 £
Direct costs - educational operations	2,662,173	2,587,533
Support costs - educational operations	1,052,571	1,099,084
	<u>3,714,744</u>	<u>3,686,617</u>

Analysis of support costs

	Educational operations £	Total 2019/20 £	Total 2018/19 £
Support staff costs	359,166	359,166	340,434
Depreciation	71,924	71,924	70,637
Technology costs	9,435	9,435	14,702
Premises costs	123,479	123,479	123,905
Other support costs	122,912	122,912	151,561
Governance costs	36,655	36,655	42,845
Other pension costs	269,000	269,000	304,000
Other finance costs (FRS102 pension)	60,000	60,000	51,000
Total support costs	<u>1,052,571</u>	<u>1,052,571</u>	<u>1,099,084</u>

9 Staff

Staff Costs

Staff costs during the period were:

	2019/20	2018/19
	£	£
Wages and salaries	2,274,696	2,232,942
Social security costs	215,313	210,272
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	441,369	365,041
FRS102 Other pension and finance costs	329,000	355,000
	<u>3,260,378</u>	<u>3,163,255</u>
Agency staff costs	16,980	5,209
	<u><u>3,277,358</u></u>	<u><u>3,168,464</u></u>

b. Non statutory/non-contractual staff severance payments

There are no non-statutory/non-contractual severance payments included in staff restructuring costs for 2019/20 or 2018/19.

c. Staff numbers

The average number of persons employed by the academy trust during the period was as follows:

	2019/20	2018/19
	No.	No.
Teachers	26	24
Management	7	8
Administration and support	45	51
	<u>78</u>	<u>83</u>

The average number of persons (including senior leadership team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	2019/20	2018/19
	No.	No.
Teachers	22	20
Management	7	7
Administration and support	38	41
	<u>67</u>	<u>69</u>

d. Higher paid staff

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

	2019/20	2018/19
	No.	No.
£80,000 - £90,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1-2. 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 trust was £542,214 (2018/19: £528,058).

10 Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The Headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment.

	2019/20 £	2018/19 £
N Partridge (Headteacher, accounting officer and staff trustee from 1 January 2016)		
Remuneration	85-90k	80k-85k
Employer's pension contributions paid	20-25k	10k-15k

During the period ended 31 August 2020, printing expenses totalling £68 were reimbursed or paid directly to 1 trustee (2018/19: £Nil).

11 Trustees and officers insurance

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

The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

	Leasehold Buildings £	Motor Vehicles £	Furniture & Equipment £	Computer Equipment £	2019/20 Total £
Cost					
As at 1 September 2019	1,154,067	38,977	49,253	25,127	1,267,424
Additions	130,853	-	-	-	130,853
As at 31 August 2020	<u>1,284,920</u>	<u>38,977</u>	<u>49,253</u>	<u>25,127</u>	<u>1,398,277</u>
Depreciation					
As at 1 September 2019	264,454	38,977	26,685	14,524	344,640
Charges in period	61,410	-	7,035	3,479	71,924
As at 31 August 2020	<u>325,864</u>	<u>38,977</u>	<u>33,720</u>	<u>18,003</u>	<u>416,564</u>
Net book values					
As at 31 August 2020	<u>959,056</u>	-	<u>15,533</u>	<u>7,124</u>	<u>981,713</u>
As at 1 September 2019	<u>889,613</u>	-	<u>22,568</u>	<u>10,603</u>	<u>922,784</u>

12 Tangible fixed assets (continued)

Leasehold property

The academy trust took out 125 year leases over the property at the date of conversion. Leasehold buildings are recognised in the accounts as the academy trust has the right to use the property. The valuation was arranged by the ESFA and was carried out on a desktop depreciated replacement cost basis. Due to restrictions in the leases on the use of the land, the Trustees consider that the land has no value and as such it is included in the financial statements at nil value. The freehold of this property is owned by the Local Authority.

Additions in the year represent capital works to existing buildings.

The academy trust's transactions relating to land and buildings included:

- Costs of £130,853 incurred in relation to a programme of safeguarding improvements to the exterior of the property and upgrades to the carpark which are being covered by Capital Improvement Funding totalling £272,723.

13 Debtors

	2019/20	2018/19
	£	£
Trade debtors	59,877	137,140
VAT recoverable	19,475	13,861
Prepayments and accrued income	262,947	272,997
Other debtors	20,237	11,903
	<u>362,536</u>	<u>435,901</u>

14 Creditors: amounts falling due within one year

	2019/20	2018/19
	£	£
Trade creditors	85,090	27,619
Other taxation and social security	51,302	52,121
Other creditors	51,048	44,268
Accruals and deferred income	52,252	21,638
	<u>239,692</u>	<u>145,646</u>

Deferred income

	2019/20	2018/19
	£	£
Deferred income at 1 September	-	45,298
Released from previous years	-	(45,298)
Resources deferred in the period	-	-
Deferred income at 31 August	<u>-</u>	<u>-</u>

At the balance sheet date the academy trust was holding funding received specifically for the next financial year totalling £Nil (2018/19: £Nil), together with lettings, trips, activities and other income received in advance totalling £Nil (2018/19: £Nil).

15 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	108,669	1,060,000	(966,330)	-	202,339
Pupil Premium funding	-	27,141	(27,141)	-	-
Other DfE funding	-	22,559	(22,559)	-	-
Local authority revenue funding	-	1,583,277	(1,583,277)	-	-
Other restricted funds	-	8,086	(8,086)	-	-
Pension reserve (note 24)	(3,009,000)	-	(329,000)	460,000	(2,878,000)
	<u>(2,900,331)</u>	<u>2,701,063</u>	<u>(2,936,393)</u>	<u>460,000</u>	<u>(2,675,661)</u>
Restricted fixed asset funds					
ESFA Devolved Formula Capital	32,577	5,924	-	-	38,501
ESFA Condition Improvement Fund	259,648	-	-	(130,853)	128,795
ESFA and DfE Other Capital	-	-	-	-	-
Fixed asset fund (note 12)	922,784	-	(71,924)	130,853	981,713
	<u>1,215,009</u>	<u>5,924</u>	<u>(71,924)</u>	<u>-</u>	<u>1,149,009</u>
Total restricted funds	<u>(1,685,322)</u>	<u>2,706,987</u>	<u>(3,008,317)</u>	<u>460,000</u>	<u>(1,526,652)</u>
Unrestricted funds					
Unrestricted funds	313,312	706,626	(706,427)	-	313,511
Total unrestricted funds	<u>313,312</u>	<u>706,626</u>	<u>(706,427)</u>	<u>-</u>	<u>313,511</u>
Total funds	<u>(1,372,010)</u>	<u>3,413,613</u>	<u>(3,714,744)</u>	<u>460,000</u>	<u>(1,213,141)</u>

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. 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.

Pupil Premium Funding represents funding received from the Department for Education (DfE) to raise the attainment of disadvantaged pupils of all abilities. The eligibility of the pupils and rates of grant per pupil are set-out by the DfE. This funding is to be used for the provision of education.

Other DfE funding represents other forms of funding received from the Department for Education. This includes but is not limited to Rates Relief Income and PE grant.

Local Authority Revenue funding represents various grant funding provided by Local Authorities.

The pension reserve fund separately identifies the pension deficit on the Local Government Pension Scheme, and through which all the movements on the pension scheme are recognised.

Devolved Formula Capital represents funding provided by the Department for Education to be used for capital projects. This funding may be used for specific capital projects which are not considered to be fixed asset additions.

The Condition Improvement Fund represents funding provided by the Department for Education to be used for specific capital projects.

Restricted Fixed Asset Funds, ESFA and DfE - Other Capital represents additional grants provided to cover the value of ICT equipment purchased by the trust as part of the new build capital project for which Radcliffe Academy Trust will not incur any costs.

The Fixed Asset fund recognises the net book value of tangible and fixed assets transferred to the trust on conversion and additions since conversion.

Unrestricted funds represent other income to the academy trust which is not received as funding or with a specific purpose.

15 Funds (continued)

Comparative Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	66,737	1,070,257	(1,028,325)	-	108,669
Pupil Premium funding	-	27,972	(27,972)	-	-
Other DfE funding	-	20,274	(20,274)	-	-
Local authority revenue funding	-	1,512,562	(1,512,562)	-	-
Pension reserve (note 24)	(1,734,000)	-	(355,000)	(920,000)	(3,009,000)
	<u>(1,667,263)</u>	<u>2,631,065</u>	<u>(2,944,133)</u>	<u>(920,000)</u>	<u>(2,900,331)</u>
Restricted fixed asset funds					
ESFA Devolved Formula Capital	19,358	13,219	-	-	32,577
ESFA Condition Improvement Fund	-	272,723	-	(13,075)	259,648
ESFA and DfE Other Capital	-	9,720	-	(9,720)	-
Fixed asset fund (note 12)	970,532	-	(70,637)	22,889	922,784
	<u>989,890</u>	<u>295,662</u>	<u>(70,637)</u>	<u>94</u>	<u>1,215,009</u>
Total restricted funds	<u>(677,373)</u>	<u>2,926,727</u>	<u>(3,014,770)</u>	<u>(919,906)</u>	<u>(1,685,322)</u>
Unrestricted funds					
Unrestricted funds	313,046	672,207	(671,847)	(94)	313,312
Total unrestricted funds	<u>313,046</u>	<u>672,207</u>	<u>(671,847)</u>	<u>(94)</u>	<u>313,312</u>
Total funds	<u>(364,327)</u>	<u>3,598,934</u>	<u>(3,686,617)</u>	<u>(920,000)</u>	<u>(1,372,010)</u>

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 2019.

16 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	981,713	981,713
Current assets	313,511	442,031	167,296	922,838
Current liabilities	-	(239,692)	-	(239,692)
Pension Scheme liability	-	(2,878,000)	-	(2,878,000)
Total net assets	313,511	(2,675,661)	1,149,009	(1,213,141)

Comparative analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	922,784	922,784
Current assets	313,312	254,315	292,225	859,852
Current liabilities	-	(145,646)	-	(145,646)
Pension Scheme liability	-	(3,009,000)	-	(3,009,000)
Total net assets	313,312	(2,900,331)	1,215,009	(1,372,010)

17 Capital commitments

	2019/20 £	2018/19 £
Contracted for, but not provided in the financial statements	91,483	14,606

18 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019/20 £	2018/19 £
Amounts due within one year	3,090	2,773
Amounts due between one and five years	5,991	95
Amounts due after five years	-	-
	9,081	2,868

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

	2019/20	2018/19
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(301,131)	(87,683)
Adjusted for:		
Depreciation (note 12)	71,924	70,637
Loss on disposal of fixed assets	-	(94)
Capital grants from DfE and other capital income	(5,924)	(295,662)
Interest receivable (note 6)	(199)	(248)
Defined benefit pension scheme cost less contributions payable (note 24)	269,000	304,000
Defined benefit pension scheme finance cost (note 24)	60,000	51,000
(Increase)/decrease in debtors	73,365	(298,940)
Increase/(decrease) in creditors	94,046	(30,834)
Net cash (used in)/provided by operating activities	<u>261,081</u>	<u>(287,824)</u>

Cash flows from financing activities

	2019/20	2018/19
	£	£
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by financing activities	<u>-</u>	<u>-</u>

20 Cash flows from investing activities

	2019/20	2018/19
	£	£
Dividends, interest and rents from investments	199	248
Purchase of tangible fixed assets	(130,853)	(22,795)
Capital grants from DfE Group	5,924	295,662
Net cash provided by/(used in) investing activities	<u>(124,730)</u>	<u>273,115</u>

21 Analysis of cash and cash equivalents

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash at bank and in hand	423,951	136,351	560,302
Total cash and cash equivalents	<u>423,951</u>	<u>136,351</u>	<u>560,302</u>

22 Contingent liabilities

There are no contingent liabilities that require disclosure.

23 Members liability

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

24 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Oxfordshire County Council. 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.

Contributions amounting to £50,865 were payable to the schemes at 31 August 2020 (2018/19: £44,390) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the member and employer make 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.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%

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

The pension costs paid to TPS in the period amounted to £250,369 (2018/19: £143,041).

A copy of the valuation report is on the Teachers' Pension Scheme website at the following location:
<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

24 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case has now been referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

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

24 Pension and similar obligations (continued)

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 £255,000 (2019: £293,000), of which employer's contributions totalled £191,000 (2019: £222,000) and employees' contributions totalled £64,000 (2019: £71,000). The contribution rates applicable until 31 March 2020 were 19.3% for employers and 5.5-12.5% for employees. Agreed contribution rates with effect from 1 April 2020 are 17.2% for employers and an average of 6.5% for employees.

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

Principal actuarial assumptions

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	2.20%	3.80%
Rate of increase for pensions in payment / inflation	2.20%	2.30%
Discount rate for scheme liabilities	1.70%	1.90%
Inflation assumption (CPI)	0.50%	1.70%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.2	22.7
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	22.9	24
Females	25.6	25.7

Sensitivity Analysis - Effect on Scheme Liabilities

	At 31 August 2020	At 31 August 2019
	£	£
Discount rate +0.1%	5,419,000	5,524,000
Discount rate -0.1%	5,741,000	5,864,000
Mortality assumption - 1 year increase	5,535,000	5,648,000
Mortality assumption - 1 year decrease	5,625,000	5,740,000
CPI rate +0.1%	5,438,000	5,566,000
CPI rate -0.1%	5,722,000	5,822,000

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2020 £	Fair value at 31 August 2019 £
Equities	1,892,000	1,853,000
Corporate bonds	540,000	564,000
Property	162,000	161,000
Cash and other liquid assets	108,000	107,000
Total market value of assets	2,702,000	2,685,000
Present value of scheme liabilities		
- Funded	(5,580,000)	(5,694,000)
Surplus/(deficit) in the scheme	(2,878,000)	(3,009,000)

The actual return on scheme assets was £54,000 (2019: £86,000).

Amounts recognised in the statement of financial activities

	2019/20 £	2018/19 £
Current service cost (net of employee contributions)	460,000	407,000
Past service cost	-	119,000
Net interest cost	60,000	51,000
Total amount recognised in the SOFA	520,000	577,000

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2019/20	2018/19
	£	£
At 1 September	5,694,000	3,996,000
Current service cost	460,000	407,000
Interest cost	113,000	118,000
Employee contributions	64,000	71,000
Actuarial (gains)/losses	(727,000)	992,000
Estimated benefits paid net of transfers in	(24,000)	(9,000)
Past service cost	-	119,000
At 31 August	<u>5,580,000</u>	<u>5,694,000</u>

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

	2019/20	2018/19
	£	£
At 1 September	2,685,000	2,262,000
Interest on assets	53,000	67,000
Return on assets less interest	(267,000)	72,000
Employer contributions	191,000	222,000
Employee contributions	64,000	71,000
Estimated benefits paid plus unfunded net of transfers in	(24,000)	(9,000)
At 31 August	<u>2,702,000</u>	<u>2,685,000</u>

Reconciliation of opening and closing deficit

	2019/20		2018/19	
	£	£	£	£
Pension deficit at 1 September		(3,009,000)		(1,734,000)
Current service cost	(460,000)		(407,000)	
Past service cost	-		(119,000)	
Employer contributions	<u>191,000</u>		<u>222,000</u>	
Additional pension cost		(269,000)		(304,000)
Other finance costs		(60,000)		(51,000)
Actuarial gains/(losses)		460,000		(920,000)
Pension deficit at 31 August		<u>(2,878,000)</u>		<u>(3,009,000)</u>

25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the 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 when required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

No related party transactions took place in the period of account, other than certain trustee's remuneration and expenses already disclosed in note 10.