

GFM Education
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2021

Company Registration Number:
07834711 (England and Wales)

GFM Education

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GFM Education

Reference and Administrative Details

Members:

R Allan (appointed 17 May 2021)

C Beswick (to 3 November 2020)

J Bonsor (to 25 October 2021)

A Cojocaru

N Duncan

G Godliman (appointed 1 June 2021)

R Williams (to 3 November 2020)

Trustees:

C Beswick (appointed 29 September 2020)

J Bonsor

A Cojocaru

C Donovan

G Hicks (appointed 19 October 2020, resigned 4 November 2021)

J Morgan

I Potter

K Robertson

R Williams (appointed 3 November 2020)

Senior Management Team:

K Andrew-Power Executive Principal

S Hamilton Executive Finance Director

M Jones Deputy Head Teacher (to 23 July 2021)

N Matthias Executive Headteacher

G Mulhall Executive Headteacher

S Parker-Tyreman Executive Director

K Payne Executive Headteacher

R Peet Executive Headteacher

I Potter Chief Executive Officer

M Smith Director of Human Resources

G Walls Director of Schooling (appointed 1 September 2021)

C Willis Executive Headteacher

GFM Education

Reference and Administrative Details

Company Name

GFM Education

Principal and Registered Office

Gomer Lane

Alverstoke

Gosport

Hampshire

PO12 2QP

Company Registration Number

07834711 (England and Wales)

Independent Auditor

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Bankers

Lloyds Bank Plc

38 London Road

North End

Portsmouth

Hampshire

PO2 0LR

Solicitors

Blake Morgan LLP

New Kings Court

Tollgate

Chandlers Ford

Eastleigh

Hampshire

SO53 3LG

GFM Education

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

GFM Education comprises five schools in the Gosport and Fareham area of Hampshire formed on the 1st April 2017; two junior, two secondary, one with combined sixth form and one specialised academy for students with social, emotional and mental health needs. These academies have a combined pupil capacity of 4,390 and had a roll of 4,011 as at 31 August 2021.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Trustees of GFM Education are also the directors of the charitable company for the purposes of company law.

Funding for educational activities is governed by master funding agreements between the Trust and the Secretary of State for Education. The Trust website contains copies of all the master funding agreements and details of which academies each of the agreements refer to.

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

In accordance with normal commercial practice, GFM Education provides Directors' & Officers' indemnity insurance up to £2,000,000 on any one claim.

Method of Recruitment and Appointment or Election of Trustees

GFM Education's Members are responsible for appointing the directors of the Trust (Trustees). When appointing new trustees, the members consider the skills and experience of the existing trustees in order to ensure that the Board has the necessary skills and expertise to contribute fully to GFM Education's development, set strategic direction and meet all its statutory obligations as set out in the Academies Financial Handbook.

GFM Education

Trustees' Report

Policies and Procedures Adopted for the Induction and Training of Trustees

During the year, Trustees and Members attended five formal meetings as well as meeting on an ad-hoc basis throughout the term to discuss specific matters of interest. All Trustees are provided with copies of procedures, minutes and other documents that they will need to undertake their role. All Trustees are made aware of, and invited to attend, a variety of governance training sessions both externally and in-house.

Organisational Structure

The Trustees have delegated the day to day management of the Trust to the Chief Executive Officer who is supported by the Executive or Senior Management team, as detailed in the Reference and Administrative Information on page 1. In addition to this, an extended Senior Leadership Team ('SLT') comprising both educational and support department leads has been established to further support the Executive. The Executive meets twice per half term as well as regularly with their extended SLT to monitor the educational performance of pupils and the financial and operational performance of the Trust.

The Chief Executive Officer is also the Accounting Officer for the Trust. Local accountability is delegated across the Schools Executive to collectively oversee each academy and additionally is supported by a Local Governing Committees who meet termly and have oversight of the quality of teaching, learning and assessment, ensuring a broad and balanced curriculum in line with the trust's vision.

Arrangements for setting pay and remuneration of key management personnel Trustees

The trustees are unpaid although they can claim reasonable expenses associated with the undertaking of their role in line with the GFM Trustee Expenses Policy.

Senior Leadership Team

Leadership are paid taking account of the provisions and recommendations of the School Teachers' Review Body (STRB). Pay progression is determined through individual reviews by the Executive Leadership Teams and moderation process by the Chief Executive. The task of appraising the Executive is carried out by the Chief Executive. The task of appraising the Chief Executive is carried out by the GFM Board. Final pay decisions are delegated by the Board to the Chief Executive, with the exception of the Chief Executive and Trustees are involved should there be an appeal.

For non-teaching staff, the Finance and Resources Committee, as delegated by the GFM Board, will determine, on an annual basis, salary increases to be applied to the various salary spines and other additional payments paying regard to the National Joint Council (NJC) for Local Government services National Agreement on Pay and conditions of Service.

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Trustees' Report

Arrangements for setting pay and remuneration of key management personnel (continued)

All members of the Leadership Group must demonstrate sustained high quality of performance with particular regard to leadership, management and pupil progress with a school. There will be no automatic pay progression for those in the Leadership Group: progression (if any) up the leadership group pay range will depend on performance. Members of the Leadership Group who are at the top of their scale may be eligible for realignment with a new maxima of the pay scale as suggested by the STRB or NJC recommendations; however, this will be applied at the absolute discretion of the Trust, and only where the individual has had a successful performance management cycle.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	0.9

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£58,309
Total pay bill	£21.4m
Percentage of the total pay bill spent on facility time	0.3%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Related Parties and other Connected Charities and Organisations

GFM Education purchased consultancy services from JB Consultancy during the year ended 31 August 2021, who is a connected member of the Trust. The value of the services amounted to approximately £2.4k.

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Trustees' Report

Engagement with employees (including disabled persons)

The GFM Equal Opportunities and Diversity Policy sets out the Trust's commitment to treating all of its employees, workers and job applicants equally. No employee, worker or potential employee will receive less favourable treatment because of any 'protected characteristic', namely sex, sexual orientation, marital or civil partner status, pregnancy or maternity, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability or age.

During the year a number of different activities have been implemented in order to ensure staff engagement continues to add value and ensure employees are consulted on matters affecting them. This includes working parties, team meetings, newsletters and email, staff briefings, professional learning opportunities, INSET training and website updates. In addition, we have undertaken consultations with staff and trade unions around policies, continued with staff surveys and introduced round table meetings with the CEO and with Executive leadership.

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

Suppliers

The Trust is committed to ensuring it retains a good relationship with its supply chain which is vital for ensuring the continuation of resources for education and learning. Sustainability is at the heart of decision making both in terms of materials and also with regards to local provision wherever possible supporting the community and its economy.

Services are procured using locally developed frameworks and in conjunction with consultancy partnerships when of a larger value. In addition, when there is both better value for money and for delivery and continuity of services through stronger partnerships, longer-term service contracts are tendered for and negotiated against.

Parents, carers, pupils and local communities

The Trust's relationship with its pupils, parents, carers and local community is critical to its success. Trust newsletters are circulated celebrating successes and providing information on current activities and presenting plans for the future throughout the year. General communications also signpost to Trust-wide activity such as the GFM Awards and community events and opportunities.

Each academy regularly communicates with parents/carers via email news reports, curriculum updates, pastoral issues, report cards, general letters and social media blogs and updates. In addition, parent apps provide updates on each child's academic achievements, trips and events. Staff and Senior Leaders are also present at the beginning and end of the school day providing the time to speak to parents as well as the local community.

Individual websites have also been updated and contain 360 tours of each site and open day videos allow parents/carers to meet the team and understand more about the curriculum.

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Trustees' Report

Objectives and Activities

Objects and Aims

The principal object of GFM Education is the provision of education for pupils aged between 7 and 19 and was established with a focus of pioneering a local education model recognising the need to work in partnership with Hampshire County Council and all local schools to build better outcomes and opportunities for the young people of Gosport and Fareham.

The core purpose of the Trust is to: 'Transform and enrich the lives of young people and the communities they live in. Through the power of education, leadership, lifelong learning and social equality we will be a catalyst for raising ambitions, expectations and aspirations to collectively improve the potential of all those we connect with.'

To support this purpose, the Trust has four strategic ambition pillars:

Education	Community	Inclusion	Organisational
The GFM will be a key driver to Gosport becoming known as a town of education and training, empowering its learners to develop critical thinking skills, becoming a centre of excellence in education & educational research and becoming a pioneer of collaborative education built upon effective partnerships.	The GFM is committed to the belief that every member of our community has the right to achieve their full and utmost potential. The principle underpinning the Community Strategy is that exceptional schooling is only sustainable within happy and healthy communities.	Enabling change by ensuring a voice for all. The strategy will be achieved when all, especially those who haven't had a chance before, to speak and be heard. The GFM will empower voices through its inclusive culture and practice, being invitational and encouraging of all.	Three key implementation priorities of leadership & governance, infrastructure and service delivery models have been established in order to develop a flexible organisation that supports growth, works collaboratively and is influential in its community and the sector.

In addition, running alongside these pillars are interwoven strategies for human resources, learning & development, extended services, research, redesign of schooling and STEM.

There are all underpinned by seven guiding principles of:

- 1) Collective endeavour
- 2) Centrality of all learners
- 3) Highly effective leadership, management and governance
- 4) A rigorous approach to quality improvement
- 5) A commitment to staff development, well-being and professional learning
- 6) Equity, inclusion and diversity
- 7) Connecting with and transforming our community

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Trustees' Report

Objectives, Strategies and Activities

To ensure the Trust delivers against its ambitions, improvement plans have been developed and approved by Trustees, with some of the key targets for 2021/23 as follows:

- Develop a cohesive, harmonised approach towards inclusion across all GFM schools/settings; centred on achieving excellence for all learners.
- To ensure that all learners across the GFM experience an irresistible curriculum and enriching, diverse personal development opportunities.
- Develop and support the implementation of a Social Responsibility agenda that brings our purpose, vision and guiding principles to life by sharing initiatives which have a positive social or environmental impact.
- To build a community that actively attracts and engages diverse, talented individuals from many heritages and lifestyles, and promotes respect and inclusion of staff at all levels.
- To deliver high quality, demanding and relevant professional learning that secures development and improvement across the workforce.
- To ensure risk management is at the heart of all decision making, enabling more effective use of resources and creating opportunities.
- Improvement of the effectiveness and robustness of the Trust support infrastructure.
- Reduction in inefficiency, improvement in sustainability and maximisation of physical and resource capacity through automation and use of technology in areas of high-volume processing.

Public Benefit

GFM Education has considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by the trust is the provision of high-quality education for all its pupils and students. The trust aims, above all, to improve pupils' and students' knowledge, skills, experience and imaginative understanding, believing this to be the surest route to acquiring moral values, making informed choices and judgements in life, and learning to communicate effectively. Through its curriculums, GFM Education also encourages young people to become active participants in their own learning and society and be responsible contributors to both. To serve these ends, the trust endeavours to provide a rational, tolerant yet always disciplined atmosphere within all of its Schools, and to foster active participation by pupils and students in both the classroom and extra-curricular activities. In our society of rapid change, we believe that it is essential that young people should be equipped through their schooling to be sufficiently flexible to learn new roles and adapt to constantly changing circumstances in employment and in other respects.

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

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Trustees' Report

Strategic Report

The journey from our schools being pitched against each other in the market of education towards a collaboration, where the collective endeavour is for all youngsters to gain a good schooling experience regardless of the school they attend, has made good strides. The notion of the GFM as a campus in how we organise the MAT is taking shape. The strategy for school improvement being nested within strategies for the development of the community and its town is becoming clearer. Time is needed now to consolidate our understanding of how we realise our purpose and ambitions strategically and that will further come from the implementation of the strategic plans, and continually reviewing their impact.

Achievements and Performance

The coronavirus pandemic makes benchmarking the 2021 results extremely challenging for a number of reasons. There were no SATs in 2021 for the second consecutive year. Pupils were assessed using a range of assessment methods designed by schools across the country. Without the mechanisms usually used to secure standards over time and between students, outcomes this year look different from previous years - as we expected they would. The MIS we would usually use to analyse results data cannot compare our results against reliable national benchmarks in the way it usually would, the most recent reliable dataset able to produce subject progress indicators being 2019.

Regardless, teacher assessed data was collected and analysed across KS2 as per our assessment timetable. In order to understand the context of the 2021 results, it is necessary to consider the JCO (the Joint Council for Qualifications) requirements in relation to the way in which centre assessed grades were arrived at and submitted to the boards. Schools were asked to ensure that teachers conducted assessments under the centre's appropriate levels of control and that teachers should have sufficient evidence to provide teacher assessed grades for each student they have entered for a qualification.

The onus was upon centres to ensure that the teacher assessed grade they assign to each student is a fair, valid and reliable reflection of the assessed evidence available for each student. Teachers were asked to make judgements based on what each student had been taught and what they have been assessed on. Each subject area was required by JCO to produce an Assessment Record for each subject cohort which included the nature of the assessment evidence being used, the level of control for assessments considered, and any other evidence that explained the determination of the final teacher assessed grades. The data was used to ensure sound groupings and interventions for the start of the new academic year. Highlights are:

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Trustees' Report

Achievements and Performance (continued)

Primary Phase

- The percentage of children at ARE across the whole of the Primary Phase at the end of the academic year: 73% Reading, 55% Writing, and 72% Maths.
- The percentage of children at ARE in the Year 6 Primary Phase at the end of the academic year: 79% Reading, 65% Writing, and 73% Maths.
- Across the Primary Phase, girls are performing more positively than boys in literacy, marginally in reading and more so in writing. In maths, boy's attainment is higher than girls at 75% in comparison to 68%.

Secondary Phase

- English and mathematics GCSE performance improved at Brune Park School (5% in each subject) but remains behind national progress benchmarks.
- English performance improved at Bay House School (12% with multiple attempt logic) and was consistent in mathematics. English performance is above national progress benchmarks with mathematics in-line.
- Progress 8 scores should be considered with caution this year but were broadly consistent within the 3yr average at Bay House (+0.1) and Brune Park (-0.27).
- The gap between expected and actual performance in the EBacc pillar at Brune Park School remains stubborn and is a key improvement metric going forward.
- Performance at A Level in the Bay House Sixth Form was consistent 62% (A*-B), 92% (A*-C) with VA+ performance identical to 2019.
- Performance in L3 Applied General qualifications in the Sixth Form was consistent with previous years.

Special Phase

Ofsted conducted a further monitoring visit to LWS Academy in July 2021. This visit was carried out on the school site to inspect the school's journey back to being good. The positive feedback included:

- "(The) team is sharply focused on school improvement and continues to work through and refine your well-considered improvement plans.
- You are determined to provide pupils with a broad and balanced education that blends academic ambition with pastoral care. Leaders responsible for the curriculum have made sure that literacy and numeracy are threaded through all subject areas.
- (The) school values of 'ready to learn, respectful and responsible' are a useful guide for staff and pupils, and I heard them used well during my visit.
- You have not let the pandemic distract you from your focus."

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Trustees' Report

Achievements and Performance (continued)

Careers

Our careers provision has maintained its success throughout the pandemic. We continue to build on our successful employer engagement through our GFM Business and Education partnership forum. This has been captured in being awarded the Quality in Careers Standard for 'excellence in provision.

Progress towards the National benchmarks for careers of the Gatsby Benchmarks is listed below:

Benchmark	GFM Score	National Score
Gatsby 1: Stable Careers programme	100%	21%
Gatsby 2: Learning from career and labour market	100%	45%
Gatsby 3: Addressing the needs of each pupil	90%	20%
Gatsby 4: Linking curriculum learning to careers	100%	38%
Gatsby 5: Encounters with employers and employees	100%	52%
Gatsby 6: Experiences of workplaces	62%	47%
Gatsby 7: Encounters with FE and HE	75%	21%
Gatsby 8: Personal guidance	75%	57%

Children and Family Services

Services have continued to evolve, providing specialist therapies, support and interventions. These include Counselling, Speech and Language Therapy (SALT), Academic Coaching, Home Tutoring and a 'Crisis' response model for our learners. We now have a small team pioneering this approach locally. Throughout the year trainee social workers have joined the team for placements through our growing alliance with Chichester and Winchester Universities, our team provides the supervision and guidance to the students as they 'case hold' for us and bring further capacity for us to support our families in need. This new team case held over 150 families and/or young people in 2020/21.

Barnardo's 'five to thrive' parent course, NVR and 'Talking Teens' training have and are being currently delivered to GFM and other local families.

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Achievements and Performance (continued)

GFM COVID Recovery Strategy

Our planned intervention to support COVID recovery centred upon removing barriers and enabling access to learning alongside closing gaps and accelerating progress. We achieve this with a three Tier approach to COVID recovery strategy and application (whole school, targeted action and well-being support). From the COVID premium funding received, the Trust provided focused activities in direct response to the challenges brought about by the pandemic. Highlights included:

- Small group and remote Tutoring across all our schools.
- Upskilling our workforce to respond to the challenge and pedagogy associated with remote learning.
- Literacy and oracy interventions and assessment.
- Access to specialist and therapeutic services for individuals, families, mental health support, crisis support and assessment of need.
- New digital resources, accessible anywhere.
- Holiday and summer school provisions and evening tutoring.
- Emotional Support and Wellbeing sessions.
- Use of the National Tutoring Programme (NTP).

Pupils accessing our summer programme experienced positive progress, with a reduction in reported anxiety levels in Year 7 students and over 300 pupils benefitting from bespoke interventions.

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Trustees' Report

Key Performance Indicators

1. Pupil Numbers

Number on roll vs maximum:

Bay House School: 1,727 v 1,750 (2020: 1,731 v 1,750)

Bay House Sixth Form: 470 v 460 (2020: 412 v 460)

Brune Park Community School: 1,301 v 1,650 (2020: 1,333 v 1,650)

Gomer Junior School: 242 v 240 (2020: 242 v 240)

LWS Academy: 56 v 55 (2020: 55 v 55)

Rowner Junior School: 215 v 240 (2019: 218 v 240)

2. Financial Performance Indicators

Income KPIs	2020-21	2019-20	2018-19
Total Revenue Income per Pupil	£6,254	£5,908	£5,904
GAG Income per Pupil	£5,095	£5,149	£4,900
GAG Income as % of Total Revenue Income	81%	87%	83%

Expenditure KPIs	2020-21	2019-20	2018-19
Staff Costs as % of Total Revenue Expenditure	84%	83%	83%
Teaching Staff Costs as % of Total Expenditure	72%	71%	66%
Teaching Staff Costs as % of Total Staff Costs	86%	86%	79%
Premises Costs as % of Total Revenue Expenditure	8%	8%	8%
Total Expenditure as % of Total Revenue Income	97%	100%	95%

Note: Teaching staff costs include education support staff costs

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.

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Trustees' Report

Promoting the success of the company

Section 172 of the Companies Act 2009 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- The likely consequences of any decision in the long-term;
All activities are focused around the achievement of the Trust long-term ambitions. Each operational plan developed around the strategy carries identified risks and mitigating factors. These are monitored alongside plan milestones in order to understand any consequences, intentional or not. The Trust has taken the decision to separate risk from the main finance committee in order to maintain a higher level of scrutiny in this area and ensure that the main purpose is achieved.
- The need to foster the Trust's business relationships with suppliers, customers, and others;
As well as strong relationships with suppliers and contractors, the Trust runs a Business & Education Forum throughout the year, engaging with local businesses and entrepreneurs supporting careers and world of work experience.

GFM is a local KICKSTART provider and also facilitates placements for other local employers that wish to support the initiative. New KICKSTART employees benefit from an assigned mentor and coach to develop their employability skills and career development, completing a 6-month skills portfolio and specific accreditations to demonstrate their progress and achievement, enabling them to achieve their next career step.

- The impact of the Trust's operations on the community and the environment;
The community and environment is at the heart of the Trust's endeavours. Initiatives promoting sustainability are embedded within the school improvement plans as well as within capital development and maintenance plans. In addition, healthy living and well-being activities are being implemented from catering provisions through to staff welfare and into the classroom. Wherever possible, local provision is sought and where not appropriate, engagement is always undertaken with those offering similar values.
- The desirability of the Trust maintaining a reputation for high standards of business conduct;
We aim to build strong, meaningful partnerships with community and business stakeholders to secure sustainable improvement.
- The need to act fairly as between members of the Trust;
We aim to act fairly and be a fully inclusive organisation and our culture is based on collaboration as well as inclusion and is about what is best for all of us in terms of our development and well-being.

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Trustees' Report

Financial Review

Despite the continuing higher costs of supporting the safety and security of the Trust estate, the Trust made an in-year operating surplus of £768k (combination of unrestricted and restricted funds). This surplus includes grant income received to support summer school activities where costs have not yet been incurred as well as additional grants to support hardship and costs relating to the pandemic. An additional £424k was spent from this surplus on capital assets and improvements in order to provide additional facilities and also strengthen the technical resources available to staff and students supporting the continuation of blended learning platforms. This results in a net increase in general reserves of £345k. Other key points to note:

- Capital grants supported the building of the new Marine & Maritime block at Bay House School & Sixth Form. This provides classroom facilities alongside space to support Level 3 Extended Diplomas including the new Sport and Physical Activity Outdoors diploma delivered in partnership with Andrew Simpson Centres.
- As last year, the Trust received a further £3,126k in restricted capital grant income during the year as part of the School Conditions Allocation capital fund. £2,565k of these funds was spent during the year. In addition to the new classroom block at Bay House, improvement works included:
 - Fire and security upgrades at several sites;
 - Cladding refurbishment at Rowner Junior School;
 - Window and cladding refurbishment at Brune Park School; and
 - Roofing refurbishment at Bay House School.
- RNRMC funded Gosport Community Centre is underway and we look forward to the opening of the centre in the New Year.
- A Salix grant was received from the Public Sector Low Carbon Skills Fund after the year end to support the development of a decarbonisation plan across the Trust.

Reserves Policy

Current policy is to hold the equivalent to approximately one month's expenditure, currently estimated to be between £1.9m and £2.0m, of combined restricted and unrestricted general funds (excluding restricted fixed asset fund and pension reserve). GFM Education's reserves are the resources the Trust has or can make available to spend for or all of the school's purposes once it has met its commitments and covered its planned expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants.

The Board reviews its reserves annually and has recognised that in addition to the amount identified above, after various restructures and the receipt of further capital grants to help improve the condition of parts of the estate, that reserves are able to be used to enhance the educational services and to fund projects in line with the strategic aims outlined above. The Trust reserves have also supported a laptop replacement programme to support blended learning, security upgrades and fittings for the new Marine & Maritime Building during the year and an amount has been ring-fenced to support several strategic initiatives over the next few years.

The trustees are satisfied that the level of reserves is in line with the policy.

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Trustees' Report

Investment Policy

The objective is to maximise investment on any long term accrued balances in order to protect those balances against inflation. The Trust also aims to invest any other surplus cash fund on a short-term basis. All investments will be made ensuring there is no tangible risk to the loss of those funds. Where a short-term surplus is identified, these funds will be invested through the Treasury Deposit mechanism using the Trust's bankers, Lloyds Bank Plc. Investments are made with regards to the Charity Commission guidance in relation to investments.

Principal Risks and Uncertainties

All administrative and support staff are entitled to membership of the Local Government Pension Scheme. The fund was formally revalued in 18/19 and GFM Education's share of the Scheme's assets assessed to be less than its liabilities in the Scheme. An additional adjustment for 20/21 has been incorporated based on assumptions to various rates at the 31st August 2021 which include the rate of inflation and the amount by which future payments are discounted to calculate a value in today's terms (the discount rate). Consequently, the balance sheet shows a net liability of £11,519,000.

The increase is due mainly to an uplift in financial assumptions used for inflation and also salary rates, both which have increased by 0.40% over the period.

Fundraising

As part of its work within the community, GFM Education undertakes fundraising activities, for example through fetes, cake sales, non-uniform days etc. GFM Education raises funds in order to support its own operations and also to make donations to local and national charities. The Academy Trust undertakes all such activities itself, with the help of its students and their families. We confirm that when fundraising:

- No unsolicited approaches are made to members of the public.
- No commercial participators are used.
- No regularity schemes or standards are applicable.
- No complaints were made to the Academy Trust during the year.

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Trustees' Report

Streamlined Energy and Carbon Reporting

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only. This includes all 5 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet") and additional outbuildings.

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited. A summary of energy consumption over the period is shown in the following table. The full report can be accessed on the GFM website.

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2019/20	2020/21
Mandatory requirements:		
Gas	3,791,271	5,066,307
Purchased electricity from the grid	1,412,860	1,388,031
Transport fuel	55,650	27,540
Total energy (mandatory)	5,259,781	6,481,878

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2019/20	2020/21
Mandatory requirements:		
<u>Scope 1</u>		
Natural gas	697.10	927.90
Transport - Company owned vehicles (mini-buses)	10.20	4.40
<u>Scope 2</u>		
Purchased electricity (location-based)	329.40	294.70
<u>Scope 3</u>		
Transport – Business travel in employee-owned vehicles	3.20	2.20
Total gross emissions (mandatory)	1,039.90	1,229.20
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO ₂ e per pupil	0.26	0.31
Tonnes of CO ₂ e per square meter floor area	0.03	0.04

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Trustees' Report

Streamlined Energy and Carbon Reporting (continued)

Intensity ratio

Two intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2020 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

Energy efficiency action during current financial year

The Trust is committed to reducing emissions and this year has seen the implementation of the following energy efficiency measures:

- Roof insulation has been improved at several blocks at Bay House School & Sixth Form during refurbishment works, which also included replacement cladding and skylights.
- A rolling programme of lighting upgrades in classrooms has continued this year across the Trust estate with the replacement of fluorescent tube lighting with energy efficient LED panels.
- Glazing has been improved at Brune Park Community School with the replacement of single glaze, metal frame windows with aluminium frame, double glazed windows.
- Temporary accommodation for Enterprise Academy has been replaced with a well-insulated, purpose-built building that uses electric heating rather than gas boilers.

Plans for Future Periods

Key activities planned include:

- Development of a heat decarbonisation plan to identify solutions and technologies that will ensure that any new building services represent value for money and are sustainable reducing the carbon footprint across the Trust.
- Working with the DfE School Replacement Programme team to develop a feasibility study for the rebuild of part of the Bay House School & Sixth Form site.
- Development and opening of the GFM Community Hub in conjunction with the Royal Navy and Royal Marines Charity supporting services children and families as well as providing space for the wider local community.
- New healthy living initiatives to promote sustainable lifestyles, linking extended GFM catering provision across education and learning as well as development of staff health & wellbeing resources.
- Development of a GFM Business Hub supporting a wider range of options for routes to employment and supporting SMEs and young entrepreneurs.
- Extension of our position as a Kickstart employer through supporting people back into employment and apprenticeships.
- Development of wider communication programmes to engage fully with stakeholders including the introduction of GFM Ambassadors and Parent and Stakeholder Forums.
- Support the development of internal capabilities of managers through enhanced coaching, mentoring and training programmes.

GFM Education

Trustees' Report

Funds Held as Custodian Trustee on Behalf of Others

No funds are held 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
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2021 and signed on the board's behalf by:



C Beswick

Chair of Trustees

GFM Education

Governance Statement

Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

The Board of Trustees has delegated the day-to-day responsibility to the chief executive, 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 GFM Education and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met five times during the year as well as attending a strategic away day in order to advance a refresh of the strategic vision and plans for the Trust. Attendance during the year at meetings of the Board of Trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
C Beswick	5	5
J Bonsor	5	5
A Cojocar	5	5
C Donovan	5	5
G Hicks	3	5
J Morgan	5	5
I Potter	5	5
K Robertson	4	5
R Williams	5	5

The full Board including trustees, members and the Executive continued to meet on a number of occasions during the wider shutdown, changing to online in order to manage health & safety requirements. The Executive team also continued to meet more regularly in order to manage the constant changes to regulations and legislation around the pandemic. This allowed closer Trust performance and management of risk assessments across all areas

GFM Education

Governance Statement

Governance (continued)

As part of continuous improvements to governance, two of the previous members stepped down and took up trustee positions as chair and vice-chair of the Board. An additional trustee with financial skills was appointed during the year and a further two new independent members were appointed in order to improve Board scrutiny and adhere to best practice.

The finance and resources committee (previously the finance and audit committee) is a sub-committee of the main Board of Trustees. Its purpose is to review, and where applicable approve, the financial performance of the Trust including budgets and forecasts. During the year, the committee also reviewed and authorised (through delegated powers) several large capital additions and service contracts ensuring value for money and adherence to policy and procedures of the Trust. Attendance at meetings in the year was as follows:

<u>Committee Members</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Chris Donovan (Trustee & Chair of Committee)	5	5
Elodie Gardner (Primary Phase representative)	5	5
Susan Hamilton (Executive Finance Director)	5	5
Geoff Hicks (Trustee)	4	5
Jean Morgan (Trustee)	5	5
Ian Potter (Trustee & Chief Executive)	5	5

The audit and risk committee is a sub-committee of the main Board of Trustees. Its purpose is to review the risk register and direct internal audit to ensure appropriate cover of identified areas of risk, and to make recommendations to the Board on all audit and risk matters. This is a new committee with no formal meetings during the year other than to implement the new structure. All related matters were discussed within the finance and resources committee.

GFM Education

Governance Statement

Review of Value for Money

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

- consolidating cleaning contracts across the secondary phase leading to a more cost effective and better quality of service
- consolidating energy contracts, reducing suppliers and moving to better pricing deals
- changing printing and scanning infrastructure, saving money on more efficient multi-functional centralised equipment and reducing volumes and costs of paper and ink supplies
- improving payment systems for the junior phase
- fully centralising financial management for junior phase reducing operating costs

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 GFM Education for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GFM Education

Governance Statement

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and decided on a number of different activities to provide a higher level of assurance. It was agreed to:

- buy-in a focused internal audit service from Azets
- take part in the DfE Risk Management and Capital Advisers Pilot programmes
- appoint C Donovan, a trustee, to carry out a programme of internal checks

The various internal audits performed focused on giving advice on financial and specific high-risk areas through performing a range of checks on the Academy Trust's financial and other systems. During the academic year, this included:

- testing of banking and cash management processes and procedures
- testing of procurement and contract management systems
- testing of health, safety and risk management procedures and supporting systems and policies
- reviewing cyber security procedures and documentation
- testing of compliance with the Academies Financial Handbook

All reports were presented and scrutinised by the Audit and Risk Committee. From the reviews undertaken there was nothing requiring urgent attention or material control risks. The recommendations made following the Risk Management and Capital Advisers audits are being taken forward as part of operational plans for the next year. Key actions being addressed include:

- strengthening the oversight and governance for health and safety
- implementing a formal asset management plan
- implementing a schedule of PEN testing across the IT infrastructure

GFM Education

Governance Statement

Review of Effectiveness

As Accounting Officer, the Chief Executive 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/advisers
- 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 Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 14 December 2021 and signed on its behalf by:



C Beswick
Chair of Trustees



I Potter (Dec 16, 2021 08:41 GMT)

I Potter
Accounting Officer

GFM Education

Statement of Regularity, Propriety and Compliance

As Accounting Officer of GFM Education I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 2020.

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 2020.

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.

I Potter

I Potter (Dec 16, 2021 08:41 GMT)

I Potter

Accounting Officer

14 December 2021

GFM Education

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Board of Trustees on 14 December 2021 and signed on its behalf by:



C Beswick
Chair of Trustees

GFM Education

Independent Auditor's Report on the Financial Statements to the Members of GFM Education

Opinion

We have audited the financial statements of GFM Education ('the charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

GFM Education

Independent Auditor's Report on the Financial Statements to the Members of GFM Education

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 Trustees' Report (including the Strategic Report), and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 charitable company 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

GFM Education

Independent Auditor's Report on the Financial Statements to the Members of GFM Education

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 to preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our 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.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, the Academies Financial Handbook 2020, and the Academies Accounts Direction 2020 to 2021.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

GFM Education

Independent Auditor's Report on the Financial Statements to the Members of GFM Education

- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.
- We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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 Independent Auditor's Report.

Use of our report

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

RA Hurst
RA Hurst (Dec 16, 2021 12:18 GMT)

R Hurst FCA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 16/12/2021

GFM Education

Independent Reporting Accountant's Assurance Report on Regularity to GFM Education and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by GFM Education during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of GFM Education's Accounting Officer and the reporting accountant
The Accounting Officer is responsible, under the requirements of GFM Education's funding agreement with the Secretary of State for Education dated 28 March 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

GFM Education

Independent Reporting Accountant's Assurance Report on Regularity to GFM Education and the Education & Skills Funding Agency

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academies Financial Handbook (effective from 1 September 2020) (AFH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the AFH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the AFH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the AFH.
- Review of governance arrangements to determine whether the requirements of the AFH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

GFM Education

Independent Reporting Accountant’s Assurance Report on Regularity to GFM Education and the Education & Skills Funding Agency

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

RA Hurst
RA Hurst (Dec 16, 2021 12:18 GMT)

R Hurst FCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 16/12/2021

GFM Education

Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2020/21 Total £	2019/20 Total £
Income and endowments from:							
Donations and capital grants	2	-	23,273	-	3,260,956	3,284,229	3,500,233
Charitable activities:							
Funding for the academy trust's educational operations							
	3	-	24,944,573	-	-	24,944,573	23,667,150
Other trading activities	4	115,088	-	-	-	115,088	145,762
Investments	5	1,428	-	-	-	1,428	5,567
Total		116,516	24,967,846	-	3,260,956	28,345,318	27,318,712
Expenditure on:							
Charitable activities:							
Academy trust educational operations							
	7	-	24,315,536	1,389,000	1,949,427	27,653,963	26,475,108
Net income / (expenditure)		116,516	652,310	(1,389,000)	1,311,529	691,355	843,604
Transfers between funds	16	-	(423,739)	-	423,739	-	-
Other recognised gains / (losses):							
Actuarial losses on defined benefit pension schemes							
	25	-	-	(478,000)	-	(478,000)	(770,000)
Net movement in funds		116,516	228,571	(1,867,000)	1,735,268	213,355	73,604
Reconciliation of funds							
Total funds brought forward		2,301,519	1,850,565	(9,652,000)	75,132,133	69,632,217	69,558,613
Total funds carried forward		2,418,035	2,079,136	(11,519,000)	76,867,401	69,845,572	69,632,217

The notes on pages 37 to 62 form part of these financial statements.

GFM Education

Balance Sheet as at 31 August 2021

Company Number 07834711

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	12		71,643,906		70,490,888
Current assets					
Stock	13	-		4,546	
Debtors	14	752,984		645,501	
Cash at bank and in hand		10,413,949		9,644,222	
		<u>11,166,933</u>		<u>10,294,269</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(1,446,267)</u>		<u>(1,500,940)</u>	
Net current assets			<u>9,720,666</u>		<u>8,793,329</u>
Total assets less current liabilities			81,364,572		79,284,217
Defined benefit pension scheme liability	25		(11,519,000)		(9,652,000)
Total net assets			<u>69,845,572</u>		<u>69,632,217</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	76,867,401		75,132,133	
Restricted income fund	16	2,079,136		1,850,565	
Pension reserve	16	<u>(11,519,000)</u>		<u>(9,652,000)</u>	
Total restricted funds			67,427,537		67,330,698
Unrestricted income funds	16		2,418,035		2,301,519
Total funds			<u>69,845,572</u>		<u>69,632,217</u>

The financial statements on pages 34 to 62 were approved by the trustees and authorised for issue on 14 December 2021 and are signed on their behalf by:



C Beswick
Chair of Trustees

The notes on pages 37 to 62 form part of these financial statements.

GFM Education

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	484,041	115,126
Cash flows from investing activities	21	285,686	1,619,865
Change in cash and cash equivalents in the reporting period		<u>769,727</u>	<u>1,734,991</u>
Cash and cash equivalents at 1 September 2020		9,644,222	7,909,231
Cash and cash equivalents at 31 August 2021	22	<u>10,413,949</u>	<u>9,644,222</u>

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

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.

- 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.

- 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.

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Notes to the Financial Statements for the Year Ended 31 August 2021

Income (continued)

- Government Grants

The following government grants have been received during the year:

Coronavirus Job Retention Scheme

The accrual model has been used to recognise the grant on a systematic basis over the periods in which the related staff costs are incurred.

Coronavirus exceptional support

The accrual model has been used to recognise the grant when it is received or becomes receivable, as there are no future related costs or performance conditions.

- 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'.

Expenditure

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

- Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

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Notes to the Financial Statements for the Year Ended 31 August 2021

Tangible Fixed Assets

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

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

Depreciation is provided on all tangible fixed assets other than 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:

Freehold Land and Buildings	2%-10% straight line or 15% reducing balance
Leasehold Land and Buildings	2%-10% straight line or 15% reducing balance
Furniture and Equipment	15% reducing balance or 10% straight line
Computer Equipment	20% straight line
Motor Vehicles	25% reducing balance

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation.

Where the Academy Trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the Academy Trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the Academy Trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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.

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Notes to the Financial Statements for the Year Ended 31 August 2021

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.

Financial Instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

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 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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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 income/(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.

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

Fund Accounting

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

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

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

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assumptions used are disclosed in note 25.

Critical areas of judgement

There are no other critical areas of judgement.

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	3,260,956	3,260,956	3,463,037
Other donations	-	23,273	23,273	37,196
	-	3,284,229	3,284,229	3,500,233
Total 2020	-	3,500,233	3,500,233	

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	20,435,784	20,435,784	19,449,447
Pupil Premium	-	1,207,388	1,207,388	1,182,357
UIFSM	-	-	-	28,160
Rates reclaim	-	100,776	100,776	101,540
PE and sports grant	-	36,600	36,600	36,650
Year 7 catch up grant	-	-	-	67,291
Teachers' pay grant	-	279,275	279,275	269,500
Teachers' pension grant	-	791,007	791,007	780,392
Other DfE grants	-	49,178	49,178	400
	-	22,900,008	22,900,008	21,915,737
Other government grants				
Local authority grants	-	727,106	727,106	668,566
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	294,080	294,080	-
Summer schools programme fund	-	110,420	110,420	-
Other DfE/ESFA Coronavirus funding	-	48,083	48,083	-
	-	452,583	452,583	-
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	24,133	24,133	-
Other Coronavirus funding	-	267,466	267,466	-
	-	291,599	291,599	-
Other income from the Academy Trust's educational operations				
Trip income	-	22,591	22,591	292,934
Tuition fee income	-	61,768	61,768	46,977
Other income	-	488,918	488,918	742,936
	-	573,277	573,277	1,082,847
	-	24,944,573	24,944,573	23,667,150
Total 2020	-	23,667,150	23,667,150	

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

3 Funding for the Academy Trust's educational operations (continued)

Following the reclassification of some grants received from the Department for Education and the ESFA in the Academies Accounts Direction 2020/21, the Academy Trust's funding for UIFSM, Rates reclaim, PE and sports grant, Year 7 catch up grant, Teachers' pay grant, and Teachers' pension grant are no longer reported under the General Annual Grant (GAG) and Other DfE grants headings, but as separate lines under the DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust received £294,080 of funding for catch-up premium and this was fully spent during the year.

The Academy Trust furloughed some of its catering and community staff under the government's Coronavirus Job Retention Scheme. The funding received related to staff costs in respect of 11 staff which are included within the staff note below.

The Academy Trust received other Coronavirus funding in respect of emergency support, mass testing, Contain Outbreak Management Fund, connect4communities, and Covid Winter Grant Scheme.

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	115,088	-	115,088	145,762
Total 2020	145,762	-	145,762	

5 Investment income

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	1,428	-	1,428	5,567
Total 2020	5,567	-	5,567	

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2020/21 £	Total 2019/20 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	17,711,760	-	1,093,747	18,805,507	18,360,219
Allocated support costs	3,691,157	1,991,321	3,165,978	8,848,456	8,114,889
	<u>21,402,917</u>	<u>1,991,321</u>	<u>4,259,725</u>	<u>27,653,963</u>	<u>26,475,108</u>
Total 2020	<u>20,488,890</u>	<u>2,022,929</u>	<u>3,963,289</u>	<u>26,475,108</u>	

Net income/(expenditure) for the period includes:

	2020/21 £	2019/20 £
Operating lease rentals	161,743	28,934
Depreciation	1,823,680	1,551,276
Fees payable to auditor for:		
Audit	13,080	11,255
Other services	<u>8,520</u>	<u>4,071</u>

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

7 Charitable activities

	2020/21 Total £	2019/20 Total £
Direct costs	18,805,507	18,360,219
Support costs	8,848,456	8,114,889
	<u>27,653,963</u>	<u>26,475,108</u>

Analysis of support costs:

	Educational operations £	2020/21 Total £	2019/20 Total £
Support staff costs	3,691,157	3,691,157	3,333,340
Depreciation	1,823,680	1,823,680	1,551,276
Technology costs	225,743	225,743	195,819
Premises costs	1,991,321	1,991,321	2,022,929
Other support costs	1,093,714	1,093,714	995,584
Governance costs	22,841	22,841	15,941
Total support costs	<u>8,848,456</u>	<u>8,848,456</u>	<u>8,114,889</u>
Total 2020		<u>8,114,889</u>	<u>8,114,889</u>

Premises costs includes £125,747 (2020: £nil) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

8 Staff

a) Staff costs

Staff costs during the period were:

	2020/21	2019/20
	£	£
Wages and salaries	15,318,959	14,707,188
Social security costs	1,461,259	1,391,119
Pension costs	4,377,068	4,060,657
	<u>21,157,286</u>	<u>20,158,964</u>
Agency staff costs	240,984	299,926
Staff restructuring costs	4,647	30,000
	<u>21,402,917</u>	<u>20,488,890</u>

Staff restructuring costs comprise:

Severance payments	4,647	30,000
	<u>4,647</u>	<u>30,000</u>

b) Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £4,647 (2020: £30,000). Individually, the payments were: £2,000, £1,400, and £1,247.

c) Staff numbers

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

	2020/21	2019/20
	No.	No.
Teachers	282	275
Administration and support	292	286
Management	43	42
	<u>617</u>	<u>603</u>

d) Higher paid staff

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

	2020/21	2019/20
	No.	No.
£60,001 - £70,000	3	1
£70,001 - £80,000	3	2
£80,001 - £90,000	1	1
£140,001 - £150,000	1	1

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Notes to the Financial Statements for the Year Ended 31 August 2021

8 Staff (continued)

e) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,169,474 (2020: £929,432).

9 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 principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

		2020/21	2019/20
		£000	£000
I Potter	Remuneration	140-145	145-150
(Principal and trustee)	Death in service paid in lieu of employer's pension contribution	15-20	15-20

During the period ended 31 August 2021, travel and subsistence expenses totalling £410 were reimbursed or paid directly to one trustee (2020: £517 to one trustee).

10 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 £10m. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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Notes to the Financial Statements for the Year Ended 31 August 2021

11 Central Services

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

- Human resources
- Insurance
- Governance costs
- Other support costs

The academy trust charges for these services based upon fixed percentages. The actual amounts charged during the year were as follows:

	2020/21	2019/20	2020/21	2019/20
	%	%	£	£
Bay House School	51.2%	51.0%	1,265,012	1,236,259
Brune Park Community School	34.7%	34.7%	859,176	839,693
Gomer Junior School	4.6%	4.6%	114,783	112,270
LWS Academy	4.7%	4.8%	117,555	115,189
Rowner Junior	4.8%	4.9%	119,568	117,853
	<u>100.0%</u>	<u>100.0%</u>	<u>2,476,094</u>	<u>2,421,264</u>

Although central services are charged out for financial purposes based on the size of each school, in reality, services are designed to support the Trust operate as a campus with facilities and services supporting phases and whole Trust development and improvement.

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Notes to the Financial Statements for the Year Ended 31 August 2021

12 Tangible fixed assets

	Freehold Land and Buildings £	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2020	64,153,006	12,315,170	1,307,327	1,175,722	173,851	79,125,076
Acquisitions	2,430,619	72,688	120,624	352,767	-	2,976,698
At 31 August 2021	<u>66,583,625</u>	<u>12,387,858</u>	<u>1,427,951</u>	<u>1,528,489</u>	<u>173,851</u>	<u>82,101,774</u>
Depreciation						
At 1 September 2020	6,223,620	632,108	733,213	901,373	143,874	8,634,188
Charged in year	1,329,932	276,115	93,930	116,209	7,494	1,823,680
At 31 August 2021	<u>7,553,552</u>	<u>908,223</u>	<u>827,143</u>	<u>1,017,582</u>	<u>151,368</u>	<u>10,457,868</u>
Net book values						
At 31 August 2020	57,929,386	11,683,062	574,114	274,349	29,977	70,490,888
At 31 August 2021	<u>59,030,073</u>	<u>11,479,635</u>	<u>600,808</u>	<u>510,907</u>	<u>22,483</u>	<u>71,643,906</u>

13 Stock

	2020/21 £	2019/20 £
Uniform stocks	-	4,546

14 Debtors

	2020/21 £	2019/20 £
Trade debtors	28,775	1,791
VAT recoverable	95,367	231,132
Prepayments and accrued income	628,842	412,578
	<u>752,984</u>	<u>645,501</u>

GFM Education

Notes to the Financial Statements for the Year Ended 31 August 2021

15 Creditors: amounts falling due within one year

	2020/21	2019/20
	£	£
Trade creditors	444,535	434,200
Other taxation and social security	335,099	319,240
Other creditors falling due within one year	383,358	341,371
Accruals and deferred income	283,275	406,129
	<u>1,446,267</u>	<u>1,500,940</u>

	2020/21	2019/20
	£	£
Deferred income at 1 September 2020	138,545	269,944
Released from previous years	(138,545)	(269,944)
Resources deferred in the year	67,774	138,545
Deferred income at 31 August 2021	<u>67,774</u>	<u>138,545</u>

At the balance sheet date the academy trust was holding funds received in advance for trips, sixth form bus passes, locker deposits, and other income in relation to the forthcoming term.

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Notes to the Financial Statements for the Year Ended 31 August 2021

16 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2021 £
Restricted general funds						
General Annual Grant (GAG)	1,850,565	20,435,784	(19,783,474)	(423,739)	-	2,079,136
Pupil premium	-	1,207,388	(1,207,388)	-	-	-
Rates reclaim	-	100,776	(100,776)	-	-	-
PE and sports grant	-	36,600	(36,600)	-	-	-
Teachers' pay grant	-	279,275	(279,275)	-	-	-
Teachers' pension grant	-	791,007	(791,007)	-	-	-
Other DfE grants	-	49,178	(49,178)	-	-	-
Local authority grants	-	727,106	(727,106)	-	-	-
Catch-up premium	-	294,080	(294,080)	-	-	-
Summer schools programme	-	110,420	(110,420)	-	-	-
Other DfE/ESFA C-19 funding	-	48,083	(48,083)	-	-	-
Coronavirus Job Retention Sch.	-	24,133	(24,133)	-	-	-
Other Coronavirus funding	-	267,466	(267,466)	-	-	-
Other educational activities	-	596,550	(596,550)	-	-	-
	<u>1,850,565</u>	<u>24,967,846</u>	<u>(24,315,536)</u>	<u>(423,739)</u>	<u>-</u>	<u>2,079,136</u>
Pension reserve	(9,652,000)	-	(1,389,000)	-	(478,000)	(11,519,000)
	<u>(7,801,435)</u>	<u>24,967,846</u>	<u>(25,704,536)</u>	<u>(423,739)</u>	<u>(478,000)</u>	<u>(9,439,864)</u>
Restricted fixed asset funds						
Fixed asset fund	70,490,888	-	(1,823,680)	2,976,698	-	71,643,906
ESFA capital grants (DFC)	27,085	88,755	-	(106,533)	-	9,307
School Condition Allocation	4,365,385	3,126,001	(125,747)	(2,438,873)	-	4,926,766
Other capital grants	248,775	46,200	-	(7,553)	-	287,422
	<u>75,132,133</u>	<u>3,260,956</u>	<u>(1,949,427)</u>	<u>423,739</u>	<u>-</u>	<u>76,867,401</u>
Total restricted funds	<u>67,330,698</u>	<u>28,228,802</u>	<u>(27,653,963)</u>	<u>-</u>	<u>(478,000)</u>	<u>67,427,537</u>
Total unrestricted funds	<u>2,301,519</u>	<u>116,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,418,035</u>
Total funds	<u>69,632,217</u>	<u>28,345,318</u>	<u>(27,653,963)</u>	<u>-</u>	<u>(478,000)</u>	<u>69,845,572</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

16 Funds (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the Academy Trust on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

Transfers between funds

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

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Notes to the Financial Statements for the Year Ended 31 August 2021

16 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2020/21	2019/20
	£	£
Bay House School	840,251	801,630
Brune Park Community School	3,183,293	2,888,872
Gomer Junior School	364,127	324,367
LWS Academy	2,890	68,032
Rowner Junior	106,610	69,183
Total before fixed assets and pension reserve	<u>4,497,171</u>	<u>4,152,084</u>
Restricted fixed asset fund	76,867,401	75,132,133
Pension reserve	<u>(11,519,000)</u>	<u>(9,652,000)</u>
Total	<u>69,845,572</u>	<u>69,632,217</u>

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excl. dep- reciation) £	2020/21 Total £	2019/20 Total £
Bay House School	9,134,663	1,828,543	549,606	1,465,641	12,978,453	12,774,820
Brune Park Community School	6,039,924	1,361,572	339,177	1,341,523	9,082,196	8,529,357
Gomer Junior School	785,518	184,944	57,202	148,072	1,175,736	1,108,930
LWS Academy	862,496	146,028	94,625	183,766	1,286,915	1,181,494
Rowner Junior	889,159	170,070	53,137	194,617	1,306,983	1,329,231
	<u>17,711,760</u>	<u>3,691,157</u>	<u>1,093,747</u>	<u>3,333,619</u>	<u>25,830,283</u>	<u>24,923,832</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

16 Funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2020 £
Restricted general funds						
General Annual Grant (GAG)	2,630,670	19,449,447	(19,576,050)	(653,502)	-	1,850,565
Pupil premium	-	1,182,357	(1,182,357)	-	-	-
UIFSM	-	28,160	(28,160)	-	-	-
Rates reclaim	-	101,540	(101,540)	-	-	-
PE and sports grant	-	36,650	(36,650)	-	-	-
Year 7 catch up grant	-	67,291	(67,291)	-	-	-
Teachers' pay grant	-	269,500	(269,500)	-	-	-
Teachers' pension grant	-	780,392	(780,392)	-	-	-
Other DfE grants	-	400	(400)	-	-	-
Local authority grants	-	668,566	(668,566)	-	-	-
SGO grant	13,883	-	(13,883)	-	-	-
Other educational activities	-	1,120,043	(1,120,043)	-	-	-
	<u>2,644,553</u>	<u>23,704,346</u>	<u>(23,844,832)</u>	<u>(653,502)</u>	<u>-</u>	<u>1,850,565</u>
Pension reserve	(7,803,000)	-	(1,079,000)	-	(770,000)	(9,652,000)
	<u>(5,158,447)</u>	<u>23,704,346</u>	<u>(24,923,832)</u>	<u>(653,502)</u>	<u>(770,000)</u>	<u>(7,801,435)</u>
Restricted fixed asset funds						
Fixed asset fund	70,093,425	-	(1,551,276)	1,948,739	-	70,490,888
ESFA capital grants (DFC)	62,139	88,261	-	(123,315)	-	27,085
School Condition Allocation	2,411,306	3,126,001	-	(1,171,922)	-	4,365,385
Other capital grants	-	248,775	-	-	-	248,775
	<u>72,566,870</u>	<u>3,463,037</u>	<u>(1,551,276)</u>	<u>653,502</u>	<u>-</u>	<u>75,132,133</u>
Total restricted funds	<u>67,408,423</u>	<u>27,167,383</u>	<u>(26,475,108)</u>	<u>-</u>	<u>(770,000)</u>	<u>67,330,698</u>
Total unrestricted funds	<u>2,150,190</u>	<u>151,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,301,519</u>
Total funds	<u>69,558,613</u>	<u>27,318,712</u>	<u>(26,475,108)</u>	<u>-</u>	<u>(770,000)</u>	<u>69,632,217</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

17 Analysis of net assets between funds

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	71,643,906	71,643,906
Current assets	2,418,035	3,525,403	-	5,223,495	11,166,933
Current liabilities	-	(1,446,267)	-	-	(1,446,267)
Pension scheme liability	-	-	(11,519,000)	-	(11,519,000)
Total net assets	2,418,035	2,079,136	(11,519,000)	76,867,401	69,845,572

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

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	70,490,888	70,490,888
Current assets	2,301,519	3,351,505	-	4,641,245	10,294,269
Current liabilities	-	(1,500,940)	-	-	(1,500,940)
Pension scheme liability	-	-	(9,652,000)	-	(9,652,000)
Total net assets	2,301,519	1,850,565	(9,652,000)	75,132,133	69,632,217

18 Capital commitments

	2020/21	2019/20
	£	£
Contracted for, but not provided in the financial statements	837,456	378,681

19 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020/21	2019/20
	£	£
Amounts due within one year	213,372	23,834
Amounts due between one and five years	292,488	10,926
Amounts due after five years	-	233
	505,860	34,993

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Notes to the Financial Statements for the Year Ended 31 August 2021

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

	2020/21	2019/20
	£	£
Net income for the reporting period	691,355	843,604
Adjusted for:		
Depreciation	1,823,680	1,551,276
Capital grants from DfE and other capital income	(3,260,956)	(3,463,037)
Interest receivable	(1,428)	(5,567)
Defined benefit pension scheme cost less contributions payable	1,231,000	939,000
Defined benefit pension scheme finance cost	158,000	140,000
Decrease in stocks	4,546	5,746
(Increase) / decrease in debtors	(107,483)	148,135
Decrease in creditors	(54,673)	(44,031)
Net cash provided by Operating Activities	<u>484,041</u>	<u>115,126</u>

21 Cash flows from investing activities

	2020/21	2019/20
	£	£
Dividends, interest and rents from investments	1,428	5,567
Decrease in current asset investments	-	100,000
Purchase of tangible fixed assets	(2,976,698)	(1,948,739)
Capital grants from DfE Group	3,260,956	3,463,037
Net cash provided by investing activities	<u>285,686</u>	<u>1,619,865</u>

22 Analysis of cash and cash equivalents

	2020/21	2019/20
	£	£
Cash at bank and in hand	<u>10,413,949</u>	<u>9,644,222</u>

23 Analysis of changes in net debt

	At 1 September 2020	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2021
	£	£	£	£	£	£
Cash	9,644,222	769,727	-	-	-	10,413,949
Total	<u>9,644,222</u>	<u>769,727</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,413,949</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

24 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.

25 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 Hampshire 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 2019.

Contributions amounting to £356,398 were payable to the schemes at 31 August 2021 (2020: £338,254) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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Notes to the Financial Statements for the Year Ended 31 August 2021

25 Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £2,376,452 (2020: £2,271,745).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

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 2021 was as follows:

	2021	2020
	£	£
Employer's contributions	756,000	839,000
Employees' contributions	236,000	230,000
	<u>992,000</u>	<u>1,069,000</u>

The agreed contribution rates for future years are 18.9% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

	2021	2020
Rate of increase in salaries	3.6%	3.2%
Rate of increase for pensions in payment/inflation	2.6%	2.2%
Discount rate for scheme liabilities	1.7%	1.7%
Inflation assumption (CPI)	<u>2.6%</u>	<u>2.2%</u>

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

	2021	2020
Retiring today		
Males	23.1	23.0
Females	<u>25.5</u>	<u>25.5</u>
Retiring in 20 years		
Males	24.8	24.7
Females	<u>27.3</u>	<u>27.2</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

25 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2021	2020
	£	£
Discount rate +0.1%	(686,000)	(557,000)
Discount rate -0.1%	712,000	577,000
Mortality assumption – 1 year increase	941,000	722,000
Mortality assumption – 1 year decrease	<u>(915,000)</u>	<u>(722,000)</u>

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

	2021	2020
	£	£
Equities	8,052,000	6,219,000
Gilts	2,475,000	2,128,000
Property	834,000	658,000
Cash	111,000	175,000
Other	<u>2,434,000</u>	<u>1,788,000</u>
Total market value of assets	<u>13,906,000</u>	<u>10,968,000</u>

The actual return on scheme assets was £2,059,000 (2020: -£159,000).

Amount recognised in the Statement of Financial Activities

	2020/21	2019/20
	£	£
Current service cost	1,987,000	1,778,000
Interest income	(194,000)	(203,000)
Interest cost	<u>352,000</u>	<u>343,000</u>
Total amount recognised in the SOFA	<u>2,145,000</u>	<u>1,918,000</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

25 Pension and similar obligations (continued)

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

	2020/21	2019/20
	£	£
At 1 September	20,620,000	17,998,000
Current service cost	1,987,000	1,778,000
Interest cost	352,000	343,000
Employee contributions	236,000	230,000
Actuarial loss	2,343,000	408,000
Benefits paid	(113,000)	(137,000)
At 31 August	<u>25,425,000</u>	<u>20,620,000</u>

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

	2020/21	2019/20
	£	£
At 1 September	10,968,000	10,195,000
Interest income	194,000	203,000
Actuarial gain / (loss)	1,865,000	(362,000)
Employer contributions	756,000	839,000
Employee contributions	236,000	230,000
Benefits paid	(113,000)	(137,000)
At 31 August	<u>13,906,000</u>	<u>10,968,000</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021

26 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 AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where 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:

Tabernam Skinner Limited - a company controlled by A Cojocar (trustee)

- The Academy Trust purchased services from Tabernam Skinner Limited totalling £nil (2020: £4,400) during the period. There were no amounts outstanding at 31 August 2021 (2020: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which A Cojocar neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020.
- The element above £2,500 has been provided 'at no more than cost' and Tabernam Skinner Limited has provided a statement of assurance confirming this.

J Bonsor (trustee and member)

- The Academy Trust purchased services from J Bonsor totalling £2,389 (2020: £3,461) during the period. There were no amounts outstanding at 31 August 2021 (2020: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which J Bonsor neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020.
- The element above £2,500 has been provided 'at no more than cost' and J Bonsor has provided a statement of assurance confirming this.

27 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2021 the Academy Trust received £23,933 and disbursed £31,283 from the fund. An amount of £nil is included in other creditors relating to undistributed funds that are repayable to ESFA. Comparatives for the accounting period ending 31 August 2020 are £22,110 received, £14,760 disbursed and £7,350 included in other creditors.