

Registration number: 08023322

# Gartree High School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

# **Gartree High School**

## **Contents**

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 10
Governance Statement	11 to 14
Statement of Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditor's Report on the Financial Statements to the Members of Gartree High School	17 to 19
Independent Reporting Accountant's Assurance Report on Regularity to Gartree High School and the Education and Skills Funding Agency	20 to 21
Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)	22 to 23
Balance Sheet as at 31 August 2021	24
Statement of Cash Flows for the year ended 31 August 2021	25
Notes to the Financial Statements	26 to 46

# Gartree High School

## Reference and Administrative Details

<b>Members</b>	Mr P Pancholi Mrs D Parmar Mr P Storey Mr A Peryer (appointed 7 September 2021)
<b>Trustees (Directors)</b>	Ms S L Singleton
<b>Governors and Trustees (Directors)</b>	Mr A Peryer (Chair) Mr S Thanki Mr P Storey Miss S Hawksworth (resigned 30 October 2020) Prof. J Saker Ms S Baranyai Dr K Francksen Mr A Timothy Ms G Barker Mr J Lavender (resigned 30 October 2020) Ms M Coulson (appointed 20 January 2021) Mr G Kooner (appointed 20 January 2021)
<b>Company Registration Number</b>	08023322
<b>Auditors</b>	Fortus Audit LLP Chartered Accountants and Senior Statutory Auditor Hamilton Office Park 31 High View Close Leicester LE4 9LJ
<b>Senior Leadership Team</b>	Ms S L Singleton, Head Teacher Mr B Rackley, Deputy Head Mr D Allard, Assistant Head Mr E Wilson, Assistant Head Mr D Baines, Assistant Head Mrs R Puttnam, School Business Manager (appointed 22 February 2021)
<b>Principal and Registered Office</b>	Ridgeway Oadby Leicester Leicestershire LE2 5TQ

## **Gartree High School**

### **Reference and Administrative Details (continued)**

**Bankers**

Lloyds Bank Plc  
7 High Street  
Leicester  
Leicestershire  
LE1 9FS

**Solicitors**

Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021**

The Trustees present their annual report together with the financial statements and auditors' 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.

The Trust operates an Academy for students aged 11-16 serving Oadby and the surrounding area. It has 836 on its roll as per the school census of Autumn 2021.

#### **Structure, governance and management**

##### ***Constitution***

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company was incorporated on 10 April 2012 and commenced operation as an academy on 1 June 2012.

The Governors act as the Trustees for the charitable activities of Gartree High School and are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, 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 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.

##### ***Trustees' indemnities***

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

##### ***Method of recruitment and appointment or election of Trustees***

Any new Trustees will be appointed in accordance with the guidelines set out in the Funding Agreement. Parent Trustees shall be elected by parents of registered pupils at the School. A Parent Trustee must be a parent of a pupil at the Academy at the time when he/she is elected. The Board of Trustees shall make all necessary arrangements for an election of Parent Trustee. The Members of the Academy Trust shall comprise:

- the signatories to the Memorandum;
- 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- the chairman of the Board of Trustees; and
- any additional person agreed unanimously in writing by the Members

## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### Trustees

As detailed in the Memorandum and Articles, the Academy Trust has the following Trustees:

- 3 Parent Trustees
- 4 Community Trustees
- 1 appointed Trustee
- The Head Teacher
- In addition we currently co-opt 2 governors to compliment the skill set of our governing body

The Members may appoint up to one Trustee save that no more than one third of the total number of individuals appointed as Trustees shall be employees of the Academy Trust (including the Head Teacher). The Head Teacher shall be treated for all purposes as being an ex officio Trustee. The Parent Trustees shall be elected by parents of registered pupils at the Academy.

#### ***Policies and procedures adopted for the induction and training of Trustees***

There is a commitment by the Board of Trustees to ensure that new Trustees are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of Trustees. A Trustees Induction Pack is made available for new Trustees which provides a comprehensive guide to the school and its governance.

The “Link Trustee” provides the initial induction, which includes a tour of the school to meet staff and students, establishing any training needs and initiating a link with a member of the Senior Leadership Team who in turn links the Trustee with specific department heads.

#### ***Arrangements for setting pay and remuneration of key management personnel***

The pay review committee of the Governing Body reviews and sets the pay and remuneration of all key management personnel in accordance with the Academy's pay policies.

#### ***Organisational structure***

Gartree High School has a simple and unified management structure to ensure efficiency. The structure consists of three levels: the Trustees, the Senior Leadership Team and the Middle Leadership Team. The aim of the management structure is to devolve responsibility, encourage involvement in decision-making at all levels and maximise opportunities for succession planning.

The Trustees fulfil a largely strategic role. They adopt a School Improvement Plan, approve the annual budget, monitor the school's performance and, on advice, make decisions about the strategic direction of Gartree High School its capital expenditure and senior staff appointments.

The SLT consists of the Head Teacher, one Deputy Head Teacher, three Assistant Head Teachers and the School Business Manager. These leaders control the academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than those for which the Board of Trustees is responsible (having regard to the Head Teacher's advice).

The middle leadership consists of the Heads of Departments and two Senior Pastoral Leaders. As a group, the middle leaders have financial responsibility for their set budgets.

The Head Teacher is the Academy's Accounting Officer and the School Business Manager is the Chief Finance Officer (CFO). In the absence of a School Business Manager, a representative from SAAF Education (independent company) acted as fulfilling the CFO role between August 2020 and February 2021.

## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### ***Risk management***

As Trustees, we acknowledge we have overall responsibility for the School's system of internal financial control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material mis-statement or loss.

The Board of Trustees has delegated day-to-day responsibility to the Head Teacher, as Accounting Officer, for maintaining a sound system of internal control that supports the achievements of the Academy's policies, aims and objectives, whilst safeguarding the public funds and assets for which she is personally responsible, in accordance with the responsibilities assigned to her in the Financial Memorandum between Gartree High School and the Education and Skills Funding Agency (ESFA). The Head Teacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### ***Connected organisations, including related party relationships***

The Academy works with a number of partners to share best practice and increase opportunities for students. Locally we work with Learning South Leicestershire (LSL), Leicestershire Secondary Heads (LSH) and 11-16 Excellence Group. We are in South Leicestershire Inclusion partnership.

#### **Objectives and activities**

##### ***Objects and aims***

Gartree High School regards education as a lifelong process and aims to provide the highest quality education for all its students regardless of age, ability, gender or ethnic background. It expects high standards of achievement and behaviour in a positive, caring environment in which there exists a mutual respect between students, staff and parents. The Academy regards its staff as its most important resource and is committed to their professional development to achieve its aims.

Aspiring to personal excellence in a supportive community.

The core values we hold at Gartree High School:

- Learning is central to everything we do, so that all pupils can reach their potential
  - Everyone in our school is treated with respect
  - We work with honesty, trust and integrity
  - We nurture self-belief, confidence and aspiration - through commitment and hard work
  - Everyone is responsible for their own actions and self-discipline
  - We recognise and celebrate personal success
- 
- To provide a broad and balanced curriculum in an atmosphere conducive to effective learning.
  - To develop teaching and learning which enable students to reach their full potential.
  - To provide a disciplined, caring and safe environment where students feel valued.
  - To encourage students to work co-operatively, respecting each other, adults and their environment.
  - To support students in developing the varied skills and attitudes which will equip them for the future, enabling them to make a positive contribution to the community and society.
  - To create an effective partnership with parents, Trustees and the wider community.
  - To establish professional working relationships and to facilitate the professional development of staff to achieve the Academy's aims.
  - To work within a framework of equal opportunities and to encourage an awareness and appreciation of cultural and religious diversity.
  - To provide effective and efficient administration and use of resources.

## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### ***Objectives, strategies and activities***

The school's objectives are expressed in its mission statement – Aspiring to personal excellence in a supportive community. This is underpinned by the published aims of the school. The main objectives for 2020-21 are expressed within our annual improvement plan.

#### **School Improvement Priorities - What will success look like? 2020/21**

Following school closure and local lockdown due to the Covid-19 pandemic our priorities are:

- To further develop school culture and routines
- Return to school values
- Embed strong routines and norms.
- Use of physical environment to best effect
- Continue to develop the professional capacity and contribution of all staff

These priorities are pursued against a backdrop of operational systems of control as outlined in government guidance for dealing with Covid-19 in schools.

#### ***Public benefit***

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



## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### **Achievements and performance**

Gartree High School continues to be a high achieving school and pupils' progress and attainment at the school outstanding.

Students transfer to Gartree High School at age 11 from a range of primary schools in the county and city.

In October 2018 Ofsted judged Gartree High School to be an outstanding school in all aspects.

"Outstanding achievement is the result of the school's high expectations, outstanding teaching, excellent support and pupils' wholly positive attitudes to learning."

"Pupils achieve outstandingly well and reach standards that are well above those expected for their age."

"Leaders know exactly what has to be done to maintain the school's many strengths and improve the very few areas that are not yet outstanding."

"Governors are highly effective. They have a very clear idea of how well the school is doing but continue to challenge leaders to improve teaching and achievements further.

2020-2021 was disrupted by the impacts of the Covid 19 pandemic and school closure January 2021 - March 2021. Remote education continued throughout this period and throughout periods of self-isolation. Inevitably, learning was disrupted in a range of different ways. All students continued to study a broad, balanced curriculum through a high-quality experience of face to face teaching and/or remote learning. In 2021 GCSE outcomes were determined by Teacher Assessed Grades. We are proud of our students, they achieved well across all subject areas and gained the outcomes they required to progress to the next stage of their education.

##### ***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.

##### ***Key financial performance indicators***

Gartree High School benchmarks income against curriculum and staffing needs. Key financial indicators are used to drive the type and appropriateness of the curriculum offered. Development planning activities are cross-referenced to relevant cost centres and success criteria monitor the efficiency and effectiveness with which resources are deployed. Different curriculum models are explored each year and decisions made, based on financial information available, cost effectiveness and likely student outcomes.

# Gartree High School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Financial review

The majority of the Academy's income is derived from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), capital grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2021, total restricted expenditure of £4,265,547 (2020: £4,231,209) was covered by recurrent grant funding from the ESFA together with other incoming resources and brought forward reserves.

At 31 August 2021 the net book value of fixed assets was £14,000,340 (2020: £13,616,569) and the movement in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and associated support services to the students of the Academy.

The pension liability does not have an immediate cash flow impact. The cash flow impact will be potential future increased contributions as a result of the scheme deficit.

#### *Financial and risk management objectives and policies*

This is the seventh year of operation as an Academy for Gartree High School. The Academy has developed and adopted an appropriate system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

A Risk Register is maintained at Academy level which is reviewed at least annually by the Audit Committee and more frequently where necessary. The Risk Register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks.

The principal risks that may affect the Academy are outlined below. Not all factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

#### 1. Government Funding

The Academy has full reliance on continued government funding through the ESFA. The majority of the Academy's revenue was public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practise will remain the same or that public funding will continue at the same levels or on the same terms. Staffing costs have increased through pay uplifts.

The risk is mitigated in a number of ways:

- by ensuring staffing ratios and contact time are cost effective with the restraint of age range change
- by ensuring the Academy is rigorous in continuing to deliver high quality education
- to continue the development of Gartree High School and its provision in line with cost and budget

#### 2. Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the Academy's balance sheet in line with the requirements of FRS 102.

## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Reserves policy***

The Academy is required to consider what level of reserves it is appropriate for the Academy to hold in order to demonstrate appropriate financial management, stewardship and sustainability. The Board of Trustees wish to do this to provide assurance to all stakeholders that the Academy is managed in a prudent manner for the best interests of its beneficiaries. The Board of Trustees also want to provide confidence that there is a strong justification for the reserves held by the Academy, and that they wish to be open and transparent on all aspects concerning the Academy's reserves policy. In doing this the Academy has considered the following areas.

The financial risks that are mitigated by the holding of reserves include variability of income, variability of expenditure and the risks identified as serious, major or critical that have financial significance.

Our GAG funding was adjusted in 2020/21 to reflect our in-year pupil numbers (agreed with ESFA).

The Academy Trust's unrestricted funds at the year end were £65,049 (2020: £46,643).

The Academy Trust's restricted fixed asset fund at the year end were £14,000,340 (2020: £13,616,569).

##### ***Investment policy***

The purpose of the policy is to consider the management of the Academy's funds bearing in mind the responsibilities that come with the receipt of central government funding.

The Trustees have agreed to:

- To regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments.
- To identify funds surplus to immediate cash requirements and transfer the funds to the Gartree High School deposit account bearing a higher interest rate.
- To review periodically and at least annually interest rates and compare with other investment opportunities.
- To review periodically and at least annually the academy's current policy to only invests funds in risk free and immediately accessible deposit accounts.

##### **Fundraising**

During 2020/21 academic year the staff and students raised funds through a range of activities for Headway, Children in Need, Save the Children and Sport Relief.

##### ***Plans for future periods***

In 2021/22 we are prioritising the role of the tutor and pastoral support in response to the Covid -19 pandemic and school closure. We will continue to broaden and embed our curriculum offer and are completing a four classroom build including two science laboratories.

##### **Auditor**

Insofar as the Trustees are aware:

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

## **Gartree High School**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Reappointment of auditor***

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Fortus Audit LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Board of Trustees on 14 December 2021 and signed on its behalf by:

.....  
Mr A Peryer (Chair)  
Governor and trustee

# Gartree High School

## Governance Statement

### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Ms S L Singleton, 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 Gartree High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year due to Covid-19. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr A Peryer (Chair)	4	4
Mr P Storey	4	4
Ms S L Singleton	4	4
Mr S Thanki	4	4
Ms S Baranyai	4	4
Dr K Francksen	4	4
Miss S Hawksworth (resigned 30 October 2020)	1	1
Mr A Timothy	3	4
Prof. J Saker	4	4
Ms G Barker	4	4
Mr G Kooner (appointed 20 January 2021)	2	2
Ms M Coulson (appointed 20 January 2021)	2	2

## Gartree High School

### Governance Statement (continued)

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to guide and assist the Head Teacher and Board of Trustees in all matters concerning budgeting, finance and premises; including grounds, security and Health and Safety.

There were 3 meetings and attendance at meetings during the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Ms S L Singleton	3	3
Mr P Storey	3	3
Mr A Peryer (Chair)	3	3
Mr S Thanki	3	3
Mr A Timothy	2	3
Dr K Francksen	3	3
Mr G Kooner	1	2

#### **Review of value for money**

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

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

- We have achieved high standards in GCSE outcomes and broadened our KS4 curriculum.
- We ensure robust financial Governance through our Finance Committee.
- Contracts and procurement are reviewed regularly.
- Financial analysis and benchmarking of all costs takes place to achieve value for money.
- Meeting structure and communication ensures strong internal controls.
- Partnerships locally and nationally ensure our working is best practice.

We strive to ensure the Academy is using its resources effectively to meet the needs of our pupils.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Gartree High School for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

## **Gartree High School**

### **Governance Statement (continued)**

#### **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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

#### **The risk and control framework**

The 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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- to establish a separate audit committee
- to appoint SAAF independent financial support
- to appoint a programme for internal scrutiny
- to appoint a cyber security working group

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. Annually, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

#### **Review of effectiveness**

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**Gartree High School**

**Governance Statement (continued)**

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

.....  
Ms S L Singleton  
Trustee

.....  
Mr A Peryer (Chair)  
Governor and trustee



## **Gartree High School**

### **Statement of Regularity, Propriety and Compliance**

As accounting officer of Gartree High School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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

.....  
Ms S L Singleton  
Accounting officer

14 December 2021

## Gartree High School

### 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

.....  
Mr A Peryer (Chair)  
Governor and trustee

## **Gartree High School**

### **Independent Auditor's Report on the Financial Statements to the Members of Gartree High School**

#### **Opinion**

We have audited the financial statements of Gartree High School (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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 prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

#### **Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **Gartree High School**

### **Independent Auditor's Report on the Financial Statements to the Members of Gartree High School (continued)**

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

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

## **Gartree High School**

### **Independent Auditor's Report on the Financial Statements to the Members of Gartree High School (continued)**

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting frameworks.

We understood how the Academy Trust is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the Academy Trust has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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

.....  
Richard Buckby FCA (Senior Statutory Auditor)  
For and on behalf of Fortus Audit LLP, Statutory Auditor

Hamilton Office Park  
31 High View Close  
Leicester  
LE4 9LJ

16 December 2021

## **Gartree High School**

### **Independent Reporting Accountant's Assurance Report on Regularity to Gartree High School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 17 November 2020 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 Gartree High School 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 Gartree High School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Gartree High School 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 Gartree High School and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 1 June 2012 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 year from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

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

- On a sample basis testing transactions and balances.
- Making enquiries of the Academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

## **Gartree High School**

### **Independent Reporting Accountant's Assurance Report on Regularity to Gartree High School and the Education and Skills Funding Agency (continued)**

#### **Conclusion**

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

.....  
Richard Buckby FCA  
For and on behalf of Fortus Audit LLP, Chartered Accountants

Hamilton Office Park  
31 High View Close  
Leicester  
LE4 9LJ

16 December 2021

## Gartree High School

### Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	1,673	-	15,981	17,654
Other trading activities	4	95,119	-	-	95,119
Investments	5	68	-	-	68
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	4,489,176	750,000	5,239,176
<b>Total</b>		<u>96,860</u>	<u>4,489,176</u>	<u>765,981</u>	<u>5,352,017</u>
<b>Expenditure on:</b>					
Raising funds	6	76,796	-	-	76,796
<i>Charitable activities:</i>					
Academy trust educational operations	7	1,658	4,265,547	350,319	4,617,524
<b>Total</b>		<u>78,454</u>	<u>4,265,547</u>	<u>350,319</u>	<u>4,694,320</u>
Net income		18,406	223,629	415,662	657,697
Transfers between funds		-	31,891	(31,891)	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	23	-	(283,000)	-	(283,000)
Net movement in funds/(deficit)		18,406	(27,480)	383,771	374,697
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2020		<u>46,643</u>	<u>(1,734,000)</u>	<u>13,616,569</u>	<u>11,929,212</u>
Total funds/(deficit) carried forward at 31 August 2021		<u><u>65,049</u></u>	<u><u>(1,761,480)</u></u>	<u><u>14,000,340</u></u>	<u><u>12,303,909</u></u>



## Gartree High School

### Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	5,501	-	16,133	21,634
Other trading activities	4	171,314	-	-	171,314
Investments	5	3,654	-	-	3,654
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	3,598,727	-	3,598,727
<b>Total</b>		<u>180,469</u>	<u>3,598,727</u>	<u>16,133</u>	<u>3,795,329</u>
<b>Expenditure on:</b>					
Raising funds	6	185,821	-	-	185,821
<i>Charitable activities:</i>					
Academy trust educational operations	7	3,111	4,231,209	317,655	4,551,975
<b>Total</b>		<u>188,932</u>	<u>4,231,209</u>	<u>317,655</u>	<u>4,737,796</u>
Net expenditure		(8,463)	(632,482)	(301,522)	(942,467)
Transfers between funds		(443,492)	443,482	10	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	23	-	289,000	-	289,000
Net movement in (deficit)/funds		(451,955)	100,000	(301,512)	(653,467)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2019		<u>498,598</u>	<u>(1,834,000)</u>	<u>13,918,081</u>	<u>12,582,679</u>
Total funds/(deficit) carried forward at 31 August 2020		<u>46,643</u>	<u>(1,734,000)</u>	<u>13,616,569</u>	<u>11,929,212</u>

**Gartree High School**  
**(Registration number: 08023322)**  
**Balance Sheet as at 31 August 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	11	<u>14,000,340</u>	<u>13,616,569</u>
<b>Current assets</b>			
Debtors	12	109,716	92,630
Cash at bank and in hand		<u>664,119</u>	<u>183,270</u>
		773,835	275,900
Creditors: Amounts falling due within one year	13	<u>(290,266)</u>	<u>(229,257)</u>
Net current assets		<u>483,569</u>	<u>46,643</u>
Total assets less current liabilities		<u>14,483,909</u>	<u>13,663,212</u>
Net assets excluding pension liability		14,483,909	13,663,212
Pension scheme liability	23	<u>(2,180,000)</u>	<u>(1,734,000)</u>
Net assets including pension liability		<u><u>12,303,909</u></u>	<u><u>11,929,212</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		418,520	-
Restricted fixed asset fund		14,000,340	13,616,569
Restricted pension fund		<u>(2,180,000)</u>	<u>(1,734,000)</u>
		12,238,860	11,882,569
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>65,049</u>	<u>46,643</u>
Total funds		<u><u>12,303,909</u></u>	<u><u>11,929,212</u></u>

The financial statements on pages 22 to 46 were approved by the Trustees, and authorised for issue on 14 December 2021 and signed on their behalf by:

.....  
Mr A Peryer (Chair)  
Governor and trustee

## Gartree High School

### Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	18	1,214,872	(362,116)
Cash flows from investing activities	19	<u>(734,023)</u>	<u>(12,490)</u>
Change in cash and cash equivalents in the year		480,849	(374,606)
Cash and cash equivalents at 1 September		<u>183,270</u>	<u>557,876</u>
Cash and cash equivalents at 31 August	20	<u><u>664,119</u></u>	<u><u>183,270</u></u>

# Gartree High School

## 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.

The trustees have considered the impact of COVID-19 in relation to their assessment of going concern and in their opinion have taken all reasonable steps to mitigate these factors. As at the point of authorising the accounts, and for the foreseeable future, the trustees consider the going concern assumption to still be appropriate. The trustees acknowledge that given the currently rapidly changing business and social environment, there are likely to be significant unknown factors which may present themselves. Such factors are considered by the trustees to represent a general inherent level of risk in relation to the going concern assumption albeit not quantifiable at this time.

#### **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.

## **Gartree High School**

### **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

#### **1 Accounting policies (continued)**

##### ***Grants***

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### ***Donations***

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

##### ***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'.

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

##### ***Expenditure***

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

All resources expended are inclusive of irrecoverable VAT.

# Gartree High School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### *Expenditure on raising funds*

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

#### *Charitable activities*

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

#### **Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Long leasehold land	Not depreciated
Long leasehold buildings	50 years straight line basis
Furniture and equipment	5 years straight line basis
Computer equipment	5 years straight line basis

#### **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.

# Gartree High School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### *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.

#### **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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

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

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 1 Accounting policies (continued)

##### Fund accounting

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

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

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

##### Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

The Academy Trust makes 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, which are disclosed in note 23, 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 31/08/2021. 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.

#### 2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
<b>Other voluntary income</b>				
Capital grants	-	15,981	15,981	16,133
Other donations	1,673	-	1,673	5,501
	<u>1,673</u>	<u>15,981</u>	<u>17,654</u>	<u>21,634</u>

The income from donations and capital grants was £17,654 (2020: £21,634) which was allocated between the funds as follows; £1,673 unrestricted funds (2020: £5,501), £Nil restricted funds (2020: £Nil), £15,981 restricted fixed asset funds (2020: £16,133) and £Nil endowment funds (2020: £Nil).



## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 3 Funding for the Academy Trust's educational operations

	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	3,900,100	-	3,900,100	3,020,400
Other government grants	250,871	-	250,871	319,809
Pupil Premium	125,407	-	125,407	114,134
FSM Supplementary grant	5,400	-	5,400	3,520
	<u>4,281,778</u>	<u>-</u>	<u>4,281,778</u>	<u>3,457,863</u>
<b>Other government grants</b>				
Local authority funding	142,835	-	142,835	133,176
Section 106 funding	-	750,000	750,000	-
	<u>142,835</u>	<u>750,000</u>	<u>892,835</u>	<u>133,176</u>
<b>Non-government grants and other income</b>				
Other income	2,243	-	2,243	7,688
<b>Covid-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	62,320	-	62,320	-
Total grants	<u>4,489,176</u>	<u>750,000</u>	<u>5,239,176</u>	<u>3,598,727</u>

The funding for educational operations was £5,239,176 (2020: £3,598,727) which was allocated between the funds as follows; £Nil unrestricted funds (2020: £Nil), £4,489,176 restricted funds (2020: £3,598,727), £750,000 restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

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

#### 4 Other trading activities

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 4 Other trading activities (continued)

	Unrestricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	5,890	5,890	5,786
Recharges and reimbursements	85,333	85,333	158,987
Other sales	3,896	3,896	6,541
	95,119	95,119	171,314

The income from other trading activities was £95,120 (2020: £171,314) which was allocated between the funds as follows; £95,120 unrestricted funds (2020: £171,314), £Nil restricted funds (2020: £Nil), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

#### 5 Investment income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Short term deposits	68	68	3,654

The income from other trading activities was £68 (2020: £3,654) which was allocated between the funds as follows; £68 unrestricted funds (2020: £3,654), £Nil restricted funds (2020: £Nil), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

#### 6 Expenditure

	Staff costs £	Premises £	Other costs £	Total 2021 £	Total 2020 £
Expenditure on raising funds - direct costs	-	-	76,796	76,796	185,821
<b>Academy's educational operations</b>					
Direct costs	3,094,983	-	143,119	3,238,102	3,275,790
Allocated support costs	480,109	603,769	295,544	1,379,422	1,276,185
	3,575,092	603,769	438,663	4,617,524	4,551,975
	3,575,092	603,769	515,459	4,694,320	4,737,796

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 6 Expenditure (continued)

##### Net income/(expenditure) for the year includes:

	2020/21	2019/20
	£	£
Fees payable to auditor - audit	6,500	5,250
- other audit services	1,300	1,275
Depreciation of fixed assets	<u>350,320</u>	<u>317,656</u>

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 7 Charitable activities - Academy's educational operations

	Educational operations £	2020/21 Total £	2019/20 Total £
<b>Analysis of support costs</b>			
Support staff costs	480,109	480,109	525,378
Depreciation	350,319	350,319	317,655
Premises costs	253,450	253,450	194,684
Other support costs	287,599	287,599	230,143
Governance costs	7,945	7,945	8,325
Total support costs	1,379,422	1,379,422	1,276,185

#### 8 Staff

##### Staff costs

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	2,600,740	2,591,916
Social security costs	240,132	231,200
Pension costs	727,330	742,776
	3,568,202	3,565,892
Supply teacher costs	6,890	50,261
	3,575,092	3,616,153
		<b>2020 £</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments		15,750

##### Staff numbers

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

	2020/21 No	2019/20 No
Teachers	51	51
Administration and support	54	59
Management	5	5
	110	115

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 8 Staff (continued)

##### Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	2	-
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1

The key management personnel of the Academy Trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £488,821 (2020: £465,644).

#### 9 Related party transactions - trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' annualised remuneration was as follows:

Ms S L Singleton (Head teacher):

Remuneration: £105,000 - £110,000 (2020 - £100,000 - £105,000)

Employer's pension contributions: £25,000 - £30,000 (2020 - £20,000 - £25,000)

Mr J Lavender (Staff Trustee):

Remuneration: £5,000 - £10,000 (2020 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2020 - £0 - £5,000)

Miss S Hawksworth (Staff trustee):

Remuneration: £5,000 - £10,000 (2020 - £40,000 - £45,000)

Employer's pension contributions: £0 - £5,000 (2020 - £5,000 - £10,000)

Other related party transactions involving the trustees are set out in note 24.

#### 10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2021 was £38 (2020 - £535).

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

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2020	15,843,294	268,213	302,180	16,413,687
Additions	606,490	33,493	94,108	734,091
At 31 August 2021	<u>16,449,784</u>	<u>301,706</u>	<u>396,288</u>	<u>17,147,778</u>
<b>Depreciation</b>				
At 1 September 2020	2,299,647	222,824	274,647	2,797,118
Charge for the year	291,805	27,709	30,806	350,320
At 31 August 2021	<u>2,591,452</u>	<u>250,533</u>	<u>305,453</u>	<u>3,147,438</u>
<b>Net book value</b>				
At 31 August 2021	<u>13,858,332</u>	<u>51,173</u>	<u>90,835</u>	<u>14,000,340</u>
At 31 August 2020	<u>13,543,647</u>	<u>45,389</u>	<u>27,533</u>	<u>13,616,569</u>

#### 12 Debtors

	2021 £	2020 £
Trade debtors	-	48
Prepayments	67,795	59,708
Accrued grant and other income	22,669	25,724
VAT recoverable	18,416	6,934
Other debtors	836	216
	<u>109,716</u>	<u>92,630</u>

#### 13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	63,966	17,592
Other taxation and social security	129,567	122,744
Accruals	56,649	35,935
Deferred income	40,084	52,986
	<u>290,266</u>	<u>229,257</u>

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 13 Creditors: amounts falling due within one year (continued)

	2021 £	2020 £
<b>Deferred income</b>		
Deferred income at 1 September 2020	52,986	30,500
Resources deferred in the period	40,084	52,986
Amounts released from previous periods	<u>(52,986)</u>	<u>(30,500)</u>
Deferred income at 31 August 2021	<u><u>40,084</u></u>	<u><u>52,986</u></u>

Deferred income includes parental contributions received for school trips taking place in 2021-2022, deferred rates relief, Covid-19 Catch-Up premium, unused sports grant and teachers pay and pension grants.

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 14 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	3,900,100	(3,588,727)	31,891	343,264
Other government grants	-	250,871	(222,965)	-	27,906
Pupil Premium	-	125,407	(125,407)	-	-
Local authority grants	-	142,835	(142,835)	-	-
Other income	-	2,243	(2,243)	-	-
FSM Supplementary grant	-	5,400	(5,400)	-	-
Catch-up premium	-	62,320	(14,970)	-	47,350
	<u>-</u>	<u>4,489,176</u>	<u>(4,102,547)</u>	<u>31,891</u>	<u>418,520</u>
<b>Restricted fixed asset funds</b>					
Tangible fixed assets	13,616,569	-	(350,319)	734,090	14,000,340
Dfe/ESFA grants	-	15,981	-	(15,981)	-
Other local authority funding - S106	-	750,000	-	(750,000)	-
	<u>13,616,569</u>	<u>765,981</u>	<u>(350,319)</u>	<u>(31,891)</u>	<u>14,000,340</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(1,734,000)</u>	<u>-</u>	<u>(163,000)</u>	<u>(283,000)</u>	<u>(2,180,000)</u>
Total restricted funds	11,882,569	5,255,157	(4,615,866)	(283,000)	12,238,860
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>46,643</u>	<u>96,860</u>	<u>(78,454)</u>	<u>-</u>	<u>65,049</u>
Total funds	<u><u>11,929,212</u></u>	<u><u>5,352,017</u></u>	<u><u>(4,694,320)</u></u>	<u><u>(283,000)</u></u>	<u><u>12,303,909</u></u>



## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 14 Funds (continued)

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

	<b>Balance at 1 September 2019</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains, losses and transfers</b>	<b>Balance at 31 August 2020</b>
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	3,020,400	(3,463,882)	443,482	-
Other government grants	-	319,809	(319,809)	-	-
Pupil Premium	-	114,134	(114,134)	-	-
Local authority grants	-	133,176	(133,176)	-	-
Other income	-	7,688	(7,688)	-	-
FSM Supplementary grant	-	3,520	(3,520)	-	-
	<u>-</u>	<u>3,598,727</u>	<u>(4,042,209)</u>	<u>443,482</u>	<u>-</u>
<b>Restricted fixed asset funds</b>					
Tangible fixed assets	13,918,081	-	(317,655)	16,143	13,616,569
Dfe/ESFA grants	-	16,133	-	(16,133)	-
	<u>13,918,081</u>	<u>16,133</u>	<u>(317,655)</u>	<u>10</u>	<u>13,616,569</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(1,834,000)</u>	<u>-</u>	<u>(189,000)</u>	<u>289,000</u>	<u>(1,734,000)</u>
Total restricted funds	12,084,081	3,614,860	(4,548,864)	732,492	11,882,569
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>498,598</u>	<u>180,469</u>	<u>(188,932)</u>	<u>(443,492)</u>	<u>46,643</u>
Total funds	<u><u>12,582,679</u></u>	<u><u>3,795,329</u></u>	<u><u>(4,737,796)</u></u>	<u><u>289,000</u></u>	<u><u>11,929,212</u></u>

The academy trust is not subject to GAG carried forward limits.

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

#### Restricted general funds

This fund represents grants received for the Academy's operational activities and development. It includes the pension reserve, which represents the potential liability due by the Academy at the period end.

#### Restricted fixed asset fund

The fund represents the net book value of fixed assets that the Academy has purchased out of grants received or were transferred on conversion.

#### Unrestricted funds

The unrestricted fund represents funds available to the trustees to apply for the general purposes of the Academy.

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 15 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	14,000,340	14,000,340
Current assets	65,049	708,786	-	773,835
Current liabilities	-	(290,266)	-	(290,266)
Pension scheme liability	-	(2,180,000)	-	(2,180,000)
	<u>65,049</u>	<u>(1,761,480)</u>	<u>14,000,340</u>	<u>12,303,909</u>
Total net assets	<u>65,049</u>	<u>(1,761,480)</u>	<u>14,000,340</u>	<u>12,303,909</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,616,569	13,616,569
Current assets	46,643	229,257	-	275,900
Current liabilities	-	(229,257)	-	(229,257)
Pension scheme liability	-	(1,734,000)	-	(1,734,000)
	<u>46,643</u>	<u>(1,734,000)</u>	<u>13,616,569</u>	<u>11,929,212</u>
Total net assets	<u>46,643</u>	<u>(1,734,000)</u>	<u>13,616,569</u>	<u>11,929,212</u>

#### 16 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	<u>-</u>	<u>96,000</u>

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 17 Commitments under operating leases

##### *Operating leases*

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	10,081	9,470
Amounts due between one and five years	14,440	5,749
	24,521	15,219

#### 18 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	<b>2020/21</b>	<b>2019/20</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure)	657,697	(942,467)
Depreciation	350,320	317,656
Interest receivable	(68)	(3,654)
Defined benefit pension scheme cost less contributions payable	132,000	154,000
Defined benefit pension scheme net finance cost	31,000	35,000
Decrease in stocks	-	11,382
(Increase)/decrease in debtors	(17,086)	8,268
Increase in creditors	61,009	57,699
Net cash provided by/(used in) Operating Activities	1,214,872	(362,116)

#### 19 Cash flows from investing activities

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	68	3,654
Purchase of tangible fixed assets	(734,091)	(16,144)
Net cash used in investing activities	(734,023)	(12,490)

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 20 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	<u>664,119</u>	<u>183,270</u>
Total cash and cash equivalents	<u><u>664,119</u></u>	<u><u>183,270</u></u>

#### 21 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	183,270	480,849	664,119
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>183,270</u></u>	<u><u>480,849</u></u>	<u><u>664,119</u></u>

#### 22 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.

## **Gartree High School**

### **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

#### **23 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 Leicestershire 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.

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

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### **Valuation of the Teachers' Pension Scheme**

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

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 23 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £441,274 (2020: £436,080).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £192,000 (2020 - £186,000), of which employer's contributions totalled £156,000 (2020 - £150,000) and employees' contributions totalled £36,000 (2020 - £36,000). The agreed contribution rates for future years are 25.8 per cent for employers and 5.5 - 12.5 per cent 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	3.40	2.70
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70
Inflation assumptions (CPI)	2.90	2.20
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 23 Pension and similar obligations (continued)

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

	2021	2020
<b>Retiring today</b>		
Males retiring today	21.70	21.50
Females retiring today	24.20	23.80
<b>Retiring in 20 years</b>		
Males retiring in 20 years	22.60	22.20
Females retiring in 20 years	25.90	25.20

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

	2021	2020
	£	£
Equities	1,455,000	1,145,000
Government bonds	728,000	563,000
Property	176,000	155,000
Cash and other liquid assets	150,000	78,000
Total market value of assets	2,509,000	1,941,000

The actual return on scheme assets was £440,000 (2020 - (£70,000)).

#### Amounts recognised in the statement of financial activities

	2021	2020
	£	£
Current service cost	288,000	304,000
Interest income	(34,000)	(35,000)
Interest cost	65,000	70,000
Total amount recognised in the SOFA	319,000	339,000

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

	2021	2020
	£	£
At 1 September	3,675,000	3,736,000
Current service cost	288,000	304,000
Interest cost	65,000	70,000
Employee contributions	36,000	36,000
Actuarial losses/(gains)	689,000	(394,000)
Benefits paid	(64,000)	(77,000)
At 31 August	4,689,000	3,675,000

## Gartree High School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 23 Pension and similar obligations (continued)

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

	2021	2020
	£	£
At 1 September	1,941,000	1,902,000
Interest income	34,000	35,000
Actuarial gains/(losses)	406,000	(105,000)
Employer contributions	156,000	150,000
Employee contributions	36,000	36,000
Benefits paid	<u>(64,000)</u>	<u>(77,000)</u>
At 31 August	<u>2,509,000</u>	<u>1,941,000</u>

#### 24 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.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.