

THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Diocese of Gloucester Education Trust (Company Number 07662129) Mrs J Grills The Very Reverend Stephen Lake Mr J Millin Mrs S Padfield
Trustees	Prof D Cowper, Chair (resigned 31 December 2020) Ven H Dawson, Chair (from 31 December 2020) Ven P Andrew (resigned 29 September 2020) Mr T Brock Cdr M Cowdrey RN Canon R Howie, Chief Executive Officer Mr S Hunter (appointed 13 July 2021) Mr R Jones (appointed 11 February 2021) Mr N Mosley (resigned 7 October 2021) Mr P Perks Mrs C Rawlings Mr R Stokes
Company registered number	08149299
Company name	The Diocese of Gloucester Academies Trust
Principal and registered office	3 College Green Gloucester Gloucestershire GL1 2LR
Chief Executive Officer/Accounting Officer	Canon R Howie
Executive management team	Canon R Howie, Chief Executive Officer (CEO) and Accounting Officer Mrs H Springett, Deputy Chief Executive Officer (DCEO) Mrs K Bass, Head of Finance Mr R Jones, Head of Business and Operations Headteachers of all academies within the Trust
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Bankers

Lloyds Bank PLC
19 Eastgate Street
Gloucester
GL1 1NU

Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Diocese of Gloucester Academies Trust ("The Trust") for the period from 1 September 2020 to 31 August 2021. The Trustees confirm that the annual report and financial statements of the Trust comply with the current statutory requirements. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates seventeen academies for pupils aged 2 to 11 across the Diocese of Gloucester. The General Academies Grant funded the education of 3,544 pupils across the seventeen academies for the 2020-21 year, based on the Spring 2021 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a charitable company limited by guarantee and an exempt charity. The company's memorandum and articles of association are the primary governing documents. Its articles were adopted on 19 July 2012 and were subsequently amended by Special Resolution on 18 December 2012, again on 9 September 2013 and most recently on 23 January 2017. The liability of members is limited by guarantee.

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

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity protection purchased at the Trust's expense. From 1 June 2016, the Trust opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees' and officers' indemnity element from the overall cost of the RPA scheme.

TRUSTEES

Method of recruitment and appointment or election of Members and Trustees

The members of the company comprise:

- the Diocese of Gloucester Education Trust, a private company limited by guarantee in England and Wales and registered with company number 07662129 (acting corporately by the hand of its director); and
- four persons appointed by the Diocese of Gloucester Education Trust. The members, with the written consent of the Gloucester Diocesan Board of Education, may agree unanimously in writing to appoint and remove such additional members as they think fit.

The articles provide that the Trust should have the following Trustees:

- not less than 5 Trustees shall be appointed by the members;
- the Chief Executive Officer for as long as they remain in office; and
- up to 2 Trustees co-opted with the consent of the Diocesan Board of Education.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

When appointing new Trustees, consideration is given to the skills and experience of existing Trustees in order to ensure a sufficiently wide range of skills is in place to contribute fully to the Trust's development. A bi-annual skills audit is undertaken for this purpose.

Policies and procedures adopted for the induction and training of Trustees

The Trustees recognise the need to not only recruit Trustees with appropriate skills and experience but also to ensure that new Trustees are fully inducted into their roles and responsibilities. All new Trustees receive an induction pack providing information regarding the responsibilities of charitable Trustees and the operation of the Trust, including constitutional documents, annual financial statements and minutes of meetings. Additional training and induction will depend on their existing experience. All new Trustees are encouraged to visit Trust academies.

Organisational structure

The Trust Board meets at least six times a year and establishes an overall framework for the governance of the Trust. It receives reports including policies from its Committees for ratification and it monitors the work of the Committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale. During 2020/21 the Trust Board had three sub-committees:

- a Standards and Ethos Committee
- an Audit and Finance Committee
- an Estates and Free School Committee

Whilst the Trustees of the charitable company are responsible via the Funding Agreement and associated supplementary agreements for the performance of the Trust, the Executive Leadership Team, comprising the CEO, DCEO, Head of Finance and Head of Business and Operations, lead the day to day running of the Trust.

The Senior Leadership Team is comprised of the Headteachers of the academies.

In addition, each academy has its own Local Governing Board ("LGB"). Responsibilities are delegated by the Trust to the LGB through a Scheme of Delegation. The LGB includes the Headteacher of the Academy, parent and staff representatives and appointees of the Trust selected to provide specific skills and experience.

The Chief Executive Officer is the Accounting Officer and the Head of Finance is the Chief Financial Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Trust Board and the Executive Leadership Team comprise the key management personnel of the Trust. All Trustees give their time freely and no Trustee received remuneration in the year.

The annual salary of the CEO is reviewed by the Trustees following an annual appraisal with the chair of the Trust and the chair of the Diocese of Gloucester Board of Education. It is routinely benchmarked against school leadership scales and Diocesan MAT CEOs.

Salaries for senior central staff are reviewed by Trustees following an annual appraisal and are benchmarked against Diocesan pay scales and senior leadership scales (for schools).

Salaries of all senior leaders in Trust academies are reviewed annually in accordance with the School Teachers Pay and Conditions Guidance following an annual Performance Management Review which is undertaken by the CEO/DCEO and representatives of the Local Governing Board.

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Related Parties and other Connected Charities and Organisations

The Trust is connected both to the Diocese of Gloucester Education Trust ("DGET") and to the Diocese of Gloucester Board of Education ("DBE"), which has the same membership. Neither DGET nor DBE receives any financial gain from the Trust.

In 2021, the Voluntary Schools Fund ("VSF") agreed a grant of £115,000 to support the work of the Trust. The Trustees of the Voluntary Schools' Fund are also Trustees of DBE. The VSF has no financial interest in and does not receive any financial gain from the Trust.

The Trust employs a part-time Chief Executive (0.7FTE). The Chief Executive is also employed by the Gloucester Diocesan Board of Finance ("DBF") on a part-time basis as Director of Education (0.3FTE).

The following Trustees are also members of the DBE or DBF:

Canon R Howie	DBF employee (Diocesan Director of Education)
Mr P Perks	DBE

Objectives and Activities

Objects and aims

The Trust's principal object is to advance, for the public benefit, education in the United Kingdom, particularly by establishing, maintaining, carrying on, managing and developing Church of England schools as academies, having regard to advice issued by the DBE. In addition, it can setup, maintain, manage and develop other academies with or without a designated religious character. In relation to each of its academies, the Trust will recognise and support its individual character and links to the local community which it serves.

The Trust's vision is to be authentically Christian, boldly passionate about excellence in learning and relentlessly driven in our aspiration for everyone.

The Trust aims to provide children of all faiths and no faith, with excellent educational provision which transforms lives within a caring and supportive Christian ethos. It is the Trustees' objective to develop the whole child by offering a broad and enriching curriculum which develops character and ensures every pupil achieves the highest levels of progress and achievement. The Christian ethos of the Trust is at the heart of the work of its academies.

Five core principles underpin the work of the Trust and all the decisions that are taken.

1. We aspire to be the best we can be in an ever-changing environment - providing opportunities for all to flourish.
2. Within our DGAT family we cherish everyone as individuals; appreciating and celebrating diversity.
3. We act with integrity; we are open to challenge and we are reflective about our practice.
4. We treat everyone with dignity and respect.
5. Through collaboration, in a nurturing community, we grow, learn and achieve.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Objectives, strategies and activities

The key priorities for the Trust are contained in the Trust Development Plan which is available from the Trust's central office. Key priorities for the year included:

1. Ensuring the Trust's vision and core principles are embedded with all stakeholders and used practically in informing decision making
2. Reviewing the provision for Early Career Teachers in line with the DfE expectations
3. Strengthening middle leadership within schools
4. Making effective provision for supporting mental health and wellbeing for staff and pupils
5. Ensuring Covid recovery plans are in place and agile
6. Embedding the Relationship, Health and Sex Education Policy across all schools
7. To utilise financial software more effectively and efficiently
8. To increase central procurement
9. To review the Trust's approach to risk management

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The vision of the Trust is one of high aspirations, transformative leadership and the pursuit of excellence in all Trust activities. Each pupil is encouraged to flourish personally and academically within a caring Christian ethos.

STRATEGIC REPORT

The Trust remains a forward-looking organisation, keen to improve and develop in all areas of provision. The experiences, opportunities and learning offered to the children in the Trust remains rich, varied and exciting, while at the same time ensuring that standards of teaching and learning remain high and outcomes strong.

This year has seen continued disruption to schools because of the ongoing pandemic. Periods of partial closure, the provision of remote education and the need to be responsive to the frequent changes in guidance has been challenging. The significant disruption to the workforce because of Covid 19 infection and the associated self-isolation and shielding has required a high degree of resilience and flexibility. School budgets have been challenged to cover absences not reimbursed through insurance or government support. The staff in each school has risen to the challenge and been relentless in their focus on keeping learning going for all pupils whether at home or at school. This, however, has been at some personal cost for many and the year ended with all staff in desperate need of a summer break.

Notwithstanding the challenges outlined above the Trust staff have provided and engaged in a wide range of training and support, embracing and utilising a range of technology. The Trust has also engaged and worked with a range of other Trusts from the South-West region, enabling good practice to be shared and research to be undertaken. In addition, the Trust works with the local Teaching School hubs. Positive and mutually beneficial relationships are also being developed with multi-academy trusts throughout the South-West through CEO and Chief Financial Officer forums.

Outcomes for Learners

The coronavirus has meant that, as for all other schools across the country, there is no published data for the academic year ending in August 2021. However, internal data shows that the data picture for 2019 would have continued to be true in 2021. This is because of strong provision by schools during lockdown periods for pupils in school and those learning from home. A high number of vulnerable pupils were present in schools during lockdown periods enabling them to make accelerated progress. High quality remote learning was developed and this too enabled most pupils to continue with their learning.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

It remains true to say that children in the Trust get off to a good start in Early Years Foundation Stage. An above average proportion achieve the expected standard by the end of their Reception year and are well prepared for starting Year 1.

At the end of key stage 1, pupils continue to achieve well at the expected standard. Although the data showed that the phonics data strengthened because teachers focused on this when schools fully reopened, the focus for the coming year will be on further increasing the proportion of pupils achieving the required standard in the phonic screening check at the end of Year 1 and for Year 2. In addition, attention will be paid to increasing the proportion of pupils that achieve greater depth.

At the end of key stage 2 the proportion of pupils achieving the expected standard in Reading, Writing and Maths was in line with the national average set in 2019.

The focus for the coming year for all pupils across the Trust will be to ensure that the position at the end of the academic year where the vast majority of pupils had caught back to their pre covid expectations in the core subjects continues to be developed this year and any gaps in the wider curriculum are also closed. There will be a sharp focus on ensuring that strong use of ring-fenced monies supports closing of gaps remaining. The wider trust focus for all pupils will be to ensure that across the Trust opportunities to deepen pupils writing abilities strengthens further.

The Trust is comprised of 17 schools - six sponsored academies, 10 convertor academies and one Free School.

During the academic year, no school was inspected by Ofsted. Currently, 13 of the 17 academies in the Trust are judged to be good or better by Ofsted, with four not yet inspected as academies. In addition, 14 of the 16 Church of England academies in the Trust were judged to be good or better in their Statutory Inspection of Anglican and Methodist Schools (SIAMS), with one not yet inspected.

A key feature of the Trust is the commitment from academies to undertake action research to strive for continual improvement. This work is disseminated through a range of forums including termly teach meets. In addition, the pupil premium champion continues to ensure that best practice in promoting improved outcomes for disadvantaged pupils is shared widely across the Trust.

There has continued to be a focus on deepening the understanding of what it means to belong to the Trust family throughout the year, despite Covid 19. A range of activities have helped to support this such as weekly headteacher meetings during lockdown and monthly newsletters for all staff to boost morale and keep the workforce connected. This has all enabled our distinct Christian vision to be lived out.

The range of professional development opportunities for staff at all levels within the Trust has been maintained despite Covid 19, enabling staff to develop and improve their skills further, learning both from colleagues within the Trust as well as from national speakers through our Trust-wide inset day.

Going Concern

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

More details around the Trustees' consideration of going concern is included in the accounting policies (note 2.2).

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Financial Review

Most of the Trust's income is obtained from the Department for Education ("DfE") in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during 2020-21 and the associated expenditure is shown in the Statement of Financial Activities on Note 24.

During the financial year the VSF made an expansion grant of £115,000 to support the Trust in maintaining the size of the central team to continue to deliver high quality services to an increasing number of academies.

The Trust received Pupil Premium Grants totalling £745,570 and Sports Premium Grants totalling £305,473.

The Trust's total funds excluding fixed asset and pension reserves as at 31 August 2021 were £2,411,483 comprising of £1,275,002 restricted and £1,136,511 unrestricted, (see the Reserves Policy below).

Reserves Policy

The Board of Trustees reviews the level of reserves held by the Trust on an annual basis to ensure that it is adequate but not excessive.

The policy of the Trust is that it will seek to spend the majority of its revenue income each year on the pupils in its care, whilst also maintaining a level of reserves that will be adequate to provide a stable base for the continuing and expanding operation of the Trust.

As a minimum the Trust seeks to hold unrestricted and undesignated restricted reserves (which together total £1,791,149 at 31 August 2021) that are sufficient to cover at least one month's underlying operating expenditure.

This provides a working capital cushion (c. £0.8m) both against short-term funding delays and against the impact of changes in funding levels or pupil number fluctuations.

Of the remaining c. £0.5m unrestricted and General Annual Grant restricted reserves:

- c.£25k of Field Court CofE Infant Academy's unrestricted reserves is designated for completion of minor works associated to the building expansion that took place in year.
- c£50K of Longney CoE Primary's unrestricted reserves is for the improvement of the temporary classrooms, which are being replaced in 2021/22.
- c.£450k of restricted reserves is designated for resourcing needs at Clearwater CofE Primary Academy. The Academy moved to their permanent site in 2021 and are now in a position of pupil numbers exceeding GAG funding while the school grows in size.
- The balance of funds is held to cover any unforeseen increases in operating costs.

The value of unrestricted funds at 31 August 2021 was £1,275,002 (2020: £1,929,070). Restricted general funds at 31 August 2021 were £1,136,511 (2020: £959,518). Restricted fixed asset funds were £42,053,117 (2020: £37,649,002).

There are no surplus reserves as the target of working capital coverage has been achieved and through good management the Trust has been able to allocate designated funds for future developments.

Investment Policy

The Trustees seek to ensure that any surplus funds are deposited to maximise interest whilst maintaining a safe and secure investment strategy.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, particularly those relating to governance, the quality of educational standards and achievement and to financial processes. The Trust's risk register is reviewed by the Trust at every Board meeting. Internal controls are identified in order to mitigate these risks. Day-to-day responsibility for risk management rests with the Chief Executive Officer, who is the designated Accounting Officer (as defined in the Academy Trust Handbook).

The principal risks to the Trust are associated with the financial risks and liabilities which transfer as part of the school conversion process, financial processes and procedures within academies, governance and the standards and achievement across the academies. To mitigate these the Trust has:

- reviewed the risk appetite and the approach to risk management
- ensured the Trust Board comprises a suitable range of skills to ensure executives are held to account for the continued success of the Trust
- ensured consistent financial policies and processes are in place to ensure all academies adhere to high standards of financial probity
- continued to develop school improvement capacity and quality assurance processes within the central team
- further enhanced the school improvement strategy.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	2020/21	2019/20
<i>Energy consumption used to calculate emissions (kWh)</i>	2,760,390	2,660,906
<i>Scope 1 emissions in metric tonnes CO₂e</i> <i>Gas consumption</i>	353.62tCO₂e	342.87tCO₂e
<i>Scope 2 emissions in metric tonnes CO₂e</i> <i>Purchased Electricity</i>	195.17 tCO₂e	185.5 tCO₂e
<i>Scope 3 emissions in metric tonnes CO₂e</i>	1.91tCO₂e	2.16 tCO₂e
<i>Total gross emissions in metric tonnes CO₂e</i>	550.7t Co₂e	530.53 tCo₂e
<i>Intensity ratio Tonnes CO₂e per pupil (3,544 pupils January census 2021)</i>	0.154 tCo₂e per pupil	0.165 tCo₂e per pupil

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Quantification and Reporting Methodology

The 2019 HM Government Environmental Reporting Guidelines have been used. The GHG Reporting Protocol – Corporate Standard and the 2020 UK Government's Conversion Factors for Company Reporting have also been used.

Intensity Measurement

The chosen intensity measurement ratio is total gross emission in Metric Tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The Trust's overall energy consumption has increased in the last accounting period. This is for a number of reasons including:

- Clearwater Academy having two sites until August 2021
- The heating being on more frequently due to the need to ventilate schools through open windows

Our estates strategy includes a focus on energy efficiency. Where possible measures are taken, for example PVP panels will be installed at Minchinhampton in December 2021.

While energy consumption has increased, the individual per pupil Intensity ratio has decreased as the number of pupils have increased.

PLANS FOR FUTURE PERIODS

Our ambition is to ensure that every academy within the Trust provides outstanding learning outcomes for all pupils. To achieve this, all academies will be supported and challenged to provide outstanding learning and teaching opportunities with staff being fully supported in terms of their own professional development. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trustees intend to continue to develop internal capacity to keep pace with the growth in academies, bringing together staff and governors to share resources and expertise and to work collaboratively for mutual benefit within the family of schools which make up the Trust. The Trust will seek to further maximise opportunities for central procurement, reviewing and benchmarking contracts and services to ensure value for money.

Funds held as Custodian Trustee on behalf of Others

The Trust does not act as the Custodian Trustees of any other Charity.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Employee involvement and employment of the disabled

The Diocese of Gloucester Academies Trust is an equal opportunities employer. We value diversity and welcome applications from people of all backgrounds. We particularly welcome applications from sections of the community which are currently under-represented across the Trust, including applicants with disabilities.

All our employees are treated fairly and equally, and we work closely with staff to ensure they are motivated, rewarded and provided with a range of development opportunities. There is no differentiation between staff with disabilities and those without, other than to make sure they are provided with any additional necessary support and/or reasonable adjustments required through our responsibilities under the Disability Discrimination Act.

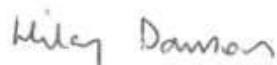
Staff can share their ideas, concerns and views through regular forums, meetings and surveys.

Disclosure of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 07 December 2021 and signed on its behalf by:



Ven H Dawson
Chair

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

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

The Trustees have delegated the day to day responsibility to the Chief Executive Officer 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 in the Funding Agreement between The Diocese of Gloucester Academies Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the 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 Trustees' Responsibilities Statement.

The Board of Trustees has formally met eight times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Prof D Cowper (Chair until resigned 31 December 2020)	4	4
Ven H Dawson (Chair from 01 January 2021)	7	8
Ven P Andrew (resigned 29 September 2020)	0	1
Mr T Brock	8	8
Cdr M Cowdrey RN	6	8
Canon R Howie (Chief Executive Officer)	8	8
Mr S Hunter (appointed 13 July 2021)	1	1
Mr R T Jones (appointed 11 February 2021)	3	3
Mrs N Mosley (resigned 07 October 2021)	6	8
Mr P Perks	7	8
Mrs C Rawlings	6	8
Mr R Stokes	6	8

Audit and Finance Committee

The Audit and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the annual process of statutory independent audit, the completion of the annual report and financial statements, and the exercise of internal financial control.

The members of the committee include Trustees with accounting expertise and the CEO, as Accounting Officer. The Head of Finance and members of the finance team attend the meetings.

The Audit and Finance Committee has formally met 3 times during the period from 1 September 2020 to 31 August 2021. Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Stokes (Chair from 01 January 2020)	3	3
Prof D Cowper (resigned 31 December 2020)	1	1
Canon R Howie (Chief Executive Officer)	2	3
Mrs N Mosley (resigned 07 October 2021)	2	3

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Estates and Free School Committee

The Estates and Free School Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee all the estates issues and developments within the Trust, and to oversee the establishment of Clearwater CofE Primary Academy.

The members of the committee include Trustees with appropriate skills and experience. The CEO and the Head of Business and Operations attend the meetings.

The Estates and Free School Committee has formally met 5 times during the period 1 September 2020 to 31 August 2021. Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Cdr M Cowdrey RN (Chair)	5	5
Ven P Andrew (resigned 29 September 2020)	0	1
Mrs N Mosley (resigned 07 October 2021)	3	5
Mr R Stokes	3	5

Local Governing Boards

Responsibility for the day-to-day running of academies within the Trust is delegated to Local Governing Boards ("LGB") under a Scheme of Delegation approved at conversion to academy status and reviewed by the Trust and Chair of the LGB.

The exact size and composition of each LGB varies according to the needs of each academy. However, each academy will have two parent representatives, and two staff representatives (including the Headteacher, ex-officio). The number of Foundation (diocesan) appointments and community representatives varies according to the historic foundation of the school on joining the Trust. LGB members are appointed on a skills basis and the Trust will always appoint the majority of members. All Local Governing Bodies undertake skills audits, to ensure that future appointments meet the needs of individual governing bodies.

Governance Review

The Board's annual business cycle incorporates an internal review of the effectiveness of governance.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive Officer 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:

- Reviewing the quality of children's learning and the curriculum offer
- Deploying staff effectively
- Making financial comparisons across the trust schools to identify areas for potential improvement
- Increasing the opportunities for staff to undertake training and development
- Enhancing the provision of financial governance and oversight, supporting Headteachers with budget planning and preparation, budget setting and forecasting
- Exploring and increasing the opportunities for joint procurement of services
- Renegotiating and benchmarking contracts on behalf of individual academies
- Reviewing controls and managing risk

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 the Diocese of Gloucester Academies Trust for the year 1 September 2020- 31 August 2021 and up to the date of the approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Trustees have reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year to 31 August 2021 and up to the date of the approval of the annual report and financial statements. The process is regularly reviewed by the Trustees.

THE RISK AND CONTROL FRAMEWORK

The 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 Trustees;
- regular reviews by the Trustees 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 scrutiny function and has decided to appoint Crowe to undertake this role. In addition, regular support and monitoring visits are carried out by the central finance team to all academies within the Trust to offer assistance and check the controls in place across the Trust.

The internal assurance review focussed on the Trust's approach to IT across the organisation. There were no significant matters found.

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

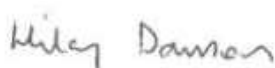
**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Review of Effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the period from 1 September 2020 to 31 August 2021 the review has been informed by:

- the work of the internal auditors;
- the work of the external auditors;
- the work of the Head of Finance within the Trust and professional advisers who have responsibility for the development and maintenance of the internal control framework

Approved by order of the members of the Board of Trustees on 07 December 2021 and signed on their behalf by:



Ven H Dawson
Chair



Canon R Howie
Accounting Officer

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Diocese of Gloucester Academies Trust I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non compliance with ESFA terms and conditions of funding, under the Funding Agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the trustees are able to identify any material, irregular or improper use of funds by the Trust, or material non compliance with the terms and conditions of funding under the Trust's Funding Agreement and the Academies Financial Handbook.

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.



Canon R Howie
Accounting Officer

Date: 7 December 2021

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

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

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

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



Ven H Dawson
Chair

Date: 7 December 2021

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF GLOUCESTER ACADEMIES TRUST**

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF GLOUCESTER ACADEMIES TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF GLOUCESTER ACADEMIES TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF GLOUCESTER ACADEMIES TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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



Joseph Scaife FCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 16/12/21

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
DIOCESE OF GLOUCESTER ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 11 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Diocese of Gloucester Academies Trust during the year 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 The Diocese of Gloucester Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Diocese of Gloucester Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Diocese of Gloucester Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE DIOCESE OF GLOUCESTER ACADEMIES TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Diocese of Gloucester Academies Trust's funding agreement with the Secretary of State for Education dated 26 April 2019 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 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 Trust's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Trust complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
DIOCESE OF GLOUCESTER ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

CONCLUSION

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



Joseph Scaife FCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 16/12/21

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and capital grants:	4					
Other donations and capital grants		34,824	237,680	5,504,667	5,777,171	983,750
Other trading activities	5	229,635	-	-	229,635	242,378
Investments	6	482	-	-	482	2,537
Charitable activities	7	505,830	17,158,372	-	17,664,202	17,257,648
TOTAL INCOME		770,771	17,396,052	5,504,667	23,671,490	18,486,313
EXPENDITURE ON:						
Charitable activities	9	1,188,951	18,073,750	1,146,863	20,409,564	19,832,367
TOTAL EXPENDITURE		1,188,951	18,073,750	1,146,863	20,409,564	19,832,367
NET INCOME/ (EXPENDITURE)		(418,180)	(677,698)	4,357,804	3,261,926	(1,346,054)
Transfers between funds	20	-	(46,309)	46,309	-	-
NET MOVEMENT BEFORE OTHER GAINS/(LOSSES)		(418,180)	(724,007)	4,404,113	3,261,926	(1,346,054)
Actuarial losses on pension schemes	27	-	(2,328,000)	-	(2,328,000)	(38,000)
NET MOVEMENT IN FUNDS		(418,180)	(3,052,007)	4,404,113	933,926	(1,384,054)
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,929,070	(8,618,482)	37,649,002	30,959,590	32,343,644
Net movement in funds		(418,180)	(3,052,007)	4,404,113	933,926	(1,384,054)
TOTAL FUNDS CARRIED FORWARD	20	1,510,890	(11,670,489)	42,053,115	31,893,516	30,959,590

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

The notes on pages 27 to 59 form part of these financial statements.

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08149299**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	16	41,264,616	36,769,272
		41,264,616	36,769,272
CURRENT ASSETS			
Debtors	17	582,823	681,893
Cash at bank and in hand		4,428,687	4,477,351
		5,011,510	5,159,244
Creditors: amounts falling due within one year	18	(1,563,835)	(1,375,892)
NET CURRENT ASSETS		3,447,675	3,783,352
TOTAL ASSETS LESS CURRENT LIABILITIES		44,712,291	40,552,624
Creditors: amounts falling due after more than one year	19	(11,775)	(15,034)
NET ASSETS EXCLUDING PENSION LIABILITY		44,700,516	40,537,590
Defined benefit pension scheme liability	27	(12,807,000)	(9,578,000)
TOTAL NET ASSETS		31,893,516	30,959,590
Funds of the Trust			
Restricted funds:			
Fixed asset funds		42,053,117	37,649,002
Restricted income funds		1,136,511	959,518
Pension reserve		(12,807,000)	(9,578,000)
TOTAL RESTRICTED FUNDS	20	30,382,628	29,030,520
UNRESTRICTED INCOME FUNDS	20	1,510,888	1,929,070
TOTAL FUNDS		31,893,516	30,959,590

The financial statements on pages 24 to 59 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

Ven H Dawson

Ven H Dawson
Chair

The notes on pages 27 to 59 form part of these financial statements.

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	22	(164,847)	(26,614)
CASH FLOWS FROM INVESTING ACTIVITIES			
	24	119,442	596,040
CASH FLOWS FROM FINANCING ACTIVITIES			
	23	(3,259)	(3,260)
		<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(48,664)	566,166
Cash and cash equivalents at the beginning of the year		4,477,351	3,911,185
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25, 26	4,428,687	4,477,351
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 27 to 59 form part of these financial statements

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. GENERAL INFORMATION

The Diocese of Gloucester Academies Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is 3 College Green, Gloucester, GL1 2LR.

2. 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.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

2.2 GOING CONCERN

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent

2. ACCOUNTING POLICIES (continued)

2.3 INCOME (CONTINUED)

the Trust has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the Trust)**

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

2.4 EXPENDITURE

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 TANGIBLE FIXED ASSETS

Assets costing £10,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.5 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives, on the following bases:

Long term leasehold property	- 50 years straight line
Long term leasehold land	- 125 years straight line
Computer equipment	- 33.3% straight line
Plant	- 20% straight line

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

Where the Trust has been granted use of school buildings from the Diocese of Gloucester Board of Education under Supplemental Agreements, the Academies Accounts Direction prescribes that where the Trust concludes it has control over access and works of the land and buildings they can be recognised as an asset. The land and buildings have been included within the long-term property of the Trust as the Diocese of Gloucester Board of Education are currently not exerting control over the assets.

The Supplemental Agreements include the right for the Diocese of Gloucester Board of Education trustees to give not less than 2 years written notice to the Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements. In addition, no restrictive access or restrictions on work has occurred in the financial year.

2.6 OPERATING LEASES

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

2.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

2.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

2.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

2. ACCOUNTING POLICIES (continued)

2.10 LIABILITIES

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

2.11 PROVISIONS

Provisions are recognised when the 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.

2.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at fair value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 TAXATION

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

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

2.15 FUND ACCOUNTING

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

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	34,824	237,680	5,000,006	5,272,510	293,701
Capital Grants	-	-	504,661	504,661	690,049
	<u>34,824</u>	<u>237,680</u>	<u>5,504,667</u>	<u>5,777,171</u>	<u>983,750</u>
TOTAL 2020	<u>2,846</u>	<u>281,852</u>	<u>699,052</u>	<u>983,750</u>	

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5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	52,349	52,349	55,199
Consultancy	3,732	3,732	5,507
Breakfast and After School Clubs	173,554	173,554	181,672
	<u>229,635</u>	<u>229,635</u>	<u>242,378</u>
TOTAL 2020	<u>242,378</u>	<u>242,378</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	482	482	2,537
TOTAL 2020	<u>2,537</u>	<u>2,537</u>	

7. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Education	102,492	17,158,372	17,260,864	16,715,534
Nursery	403,338	-	403,338	542,114
TOTAL 2021	<u>505,830</u>	<u>17,158,372</u>	<u>17,664,202</u>	<u>17,257,648</u>
TOTAL 2020	<u>631,752</u>	<u>16,625,896</u>	<u>17,257,648</u>	

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8. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	13,763,558	13,763,558	13,325,865
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	745,570	745,570	709,419
Universal Infant Free School Meals	-	566,649	566,649	557,429
Teachers Pension Grant	-	494,368	494,368	497,394
Teachers Pay Grant	-	173,355	173,355	174,423
Other DfE/ESFA grants	-	462,335	462,335	699,838
	-	16,205,835	16,205,835	15,964,368
OTHER GOVERNMENT GRANTS				
High Needs	-	508,457	508,457	349,854
Other government grants: non capital	-	55,480	55,480	139,314
Other government grants: capital	-	-	-	1,800
	-	563,937	563,937	490,968
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	273,600	273,600	-
	-	273,600	273,600	-
OTHER FUNDING				
Catering income	45,122	-	45,122	70,754
VSF Grant	-	115,000	115,000	150,000
Other income	57,370	-	57,370	39,444
	102,492	115,000	217,492	260,198
	102,492	17,158,372	17,260,864	16,715,534
TOTAL 2020	89,638	16,625,896	16,715,534	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the DfE and ESFA, the Trust's funding for Pupil Premium, Universal Infant Free School Meals, Teachers Pension Grant and Teachers Pay Grant 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.

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9. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Education:					
Direct costs	12,630,167	701,477	909,520	14,241,164	13,919,834
Support costs	2,740,071	1,399,749	1,611,928	5,751,748	5,320,167
Nursery:					
Direct costs	406,590	-	1,345	407,935	573,198
Support costs	-	120	8,597	8,717	19,168
TOTAL 2021	<u>15,776,828</u>	<u>2,101,346</u>	<u>2,531,390</u>	<u>20,409,564</u>	<u>19,832,367</u>
TOTAL 2020	<u>15,370,888</u>	<u>1,901,846</u>	<u>2,559,633</u>	<u>19,832,367</u>	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	14,241,164	5,751,748	19,992,912	19,240,001
Nursery	407,935	8,717	416,652	592,366
	<u>14,649,099</u>	<u>5,760,465</u>	<u>20,409,564</u>	<u>19,832,367</u>
TOTAL 2020	<u>14,493,032</u>	<u>5,339,335</u>	<u>19,832,367</u>	

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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Education 2021 £	Nursery 2021 £	Total funds 2021 £	Total funds 2020 £
Pension finance cost	110,000	-	110,000	102,000
Staff costs	12,339,145	406,590	12,745,735	12,566,958
Depreciation	711,476	-	711,476	709,089
Educational supplies	613,642	107	613,749	622,389
Staff development	59,535	428	59,963	88,213
Other costs, including educational visits	116,344	810	117,154	176,805
Supply teachers	291,022	-	291,022	227,307
(Profit) / Loss on disposal of fixed assets	-	-	-	271
	<u>14,241,164</u>	<u>407,935</u>	<u>14,649,099</u>	<u>14,493,032</u>
TOTAL 2020	<u><u>13,919,834</u></u>	<u><u>573,198</u></u>	<u><u>14,493,032</u></u>	

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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2021 £	Nursery 2021 £	Total funds 2021 £	Total funds 2020 £
Pension finance cost	59,000	-	59,000	55,000
Staff costs	2,740,071	-	2,740,071	2,576,623
Depreciation	178,887	-	178,887	143,401
Other educational, including school improvements	165,319	213	165,532	91,360
Recruitment and support	16,111	-	16,111	8,668
Maintenance of premises and equipment	508,333	-	508,333	444,219
Cleaning	187,243	548	187,791	147,212
Rent, rates and refuse disposal	304,791	-	304,791	250,809
Energy costs	209,824	-	209,824	184,860
Insurance	170,568	-	170,568	145,518
Security and transport	14,631	-	14,631	22,256
Catering	581,602	1,302	582,904	638,479
Technology costs	313,104	257	313,361	338,942
Office overheads	72,662	677	73,339	49,078
Other support and governance costs	229,476	5,720	235,196	242,285
Bank charges	126	-	126	625
	<u>5,751,748</u>	<u>8,717</u>	<u>5,760,465</u>	<u>5,339,335</u>
TOTAL 2020	<u>5,320,167</u>	<u>19,168</u>	<u>5,339,335</u>	

11. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2021 £	2020 £
Operating lease rentals	36,176	34,579
Depreciation of tangible fixed assets	890,363	852,490
Fees paid to auditors for:		
- audit	23,565	23,100
- other services	5,298	7,250
	<u>935,402</u>	<u>927,419</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	11,076,272	10,696,339
Social security costs	911,524	853,572
Pension costs	3,361,227	3,585,242
	15,349,023	15,135,153
Agency staff costs	291,022	227,307
Staff restructuring costs	136,783	8,428
	15,776,828	15,370,888

Staff restructuring costs comprise:

	2021	2020
	£	£
Redundancy payments	54,590	6,545
Settlement payments	1,934	1,883
Pension Strain Payments	80,259	-
	136,783	8,428

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

The settlement costs above relate to costs incurred for one non-statutory/non-contractual settlement payment in the year. This relates to one payment of £1,934.

c. STAFF NUMBERS

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

	2021	2020
	No.	No.
Teachers	168	168
Administration and support, (including teaching assistants)	369	391
Management	36	32
	573	591

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12. STAFF (CONTINUED)

c. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Teachers	139	138
Administration and support (including teaching assistants)	166	167
Management	32	29
	337	334

d. HIGHER PAID STAFF

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	9	7
In the band £70,001 - £80,000	3	2

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Trust comprise the Trustees and the executive management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £295,421 (2020: £280,265).

13. TRUSTEES' AND OFFICERS' INSURANCE

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

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14. CENTRAL SERVICES

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

- Strategic governance
- Management of the academy conversion process
- Co-ordination and support for all school improvement, including developing the Christian distinctiveness of schools and Philosophy 4 Children training
- Academy audits and leadership and management events
- Tendering and procurement of contracts
- Support with all financial matters, including assessment software and all financial software
- Co-ordination of all returns to the Education and Skills Funding Agency
- Bid writing
- Support with Estate Management, including condition surveys and 5 year estate development plans
- Management of the Charitable Company, including Company Secretarial role
- Occupational Health and Employee Assistance Programme subscription for all staff
- Apprenticeship levy charges
- Management of capital projects
- Human Resources guidance, support and DBS checks
- Facilitation of peer reviews and safeguarding audits

The Trust charges 5% of the School Budget Share (excluding notional SEN) and Educational Services Grant to the academies to cover the central services detailed above.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Bibury C of E Primary Academy	13,070	10,204
Clearwater C of E Primary Academy	24,164	25,516
Coaley C of E Primary Academy	12,923	12,008
Dursley C of E Primary Academy	48,650	48,152
Field Court C of E Infant Academy	46,961	45,263
Hardwicke Parochial Primary Academy	74,256	72,088
Lakefield C of E Primary School	35,864	35,396
Longney C of E Primary Academy	20,019	19,718
Minchinhampton C of E Primary Academy	54,032	49,490
North Cerney C of E Primary Academy	13,784	12,583
Primrose Hill C of E Primary Academy	36,587	36,253
St James C of E Primary School	70,122	64,157
St John's C of E Primary Academy	29,332	31,071
St Lawrence C of E Primary School	34,254	32,977
St Matthew's C of E Primary Academy	35,301	34,848
Whiteshill Primary School	20,633	19,409
Winchcombe Abbey C of E Primary School	50,887	47,726
TOTAL	620,839	596,859

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15. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive Officer only receives remuneration in respect of services provided undertaking the role of Chief Executive Officer and not in respect of services as trustee. Other trustees did not receive any payments, other than expenses, from the Trust in respect of their role as trustees. The value of trustees' remuneration including pension contributions in respect of defined benefit schemes in the year was as follows: Canon R Howie remuneration £65,000 - £70,000 (2020: £60,000 - £65,000), employer's pension contributions £10,000 - £15,000 (2020: £10,000 - £15,000).

During the year ended 31 August 2021, expenses totalling £1,125 were reimbursed or paid directly to 2 Trustees (2020 - £1,792 to 2 Trustees).

16. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and computer equipment £	Total £
COST			
At 1 September 2020	40,820,311	930,586	41,750,897
Additions	5,106,339	279,368	5,385,707
Disposals	(30,000)	-	(30,000)
At 31 August 2021	<u>45,896,650</u>	<u>1,209,954</u>	<u>47,106,604</u>
DEPRECIATION			
At 1 September 2020	4,194,988	786,637	4,981,625
Charge for the year	767,230	123,133	890,363
On disposals	(30,000)	-	(30,000)
At 31 August 2021	<u>4,932,218</u>	<u>909,770</u>	<u>5,841,988</u>
NET BOOK VALUE			
At 31 August 2021	<u><u>40,964,432</u></u>	<u><u>300,184</u></u>	<u><u>41,264,616</u></u>
At 31 August 2020	<u><u>36,625,323</u></u>	<u><u>143,949</u></u>	<u><u>36,769,272</u></u>

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17. DEBTORS

	2021	2020
	£	£
DUE WITHIN ONE YEAR		
Trade debtors	30,497	36,858
Other debtors	76,056	84,994
Prepayments and accrued income	476,270	560,041
	582,823	681,893

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	439,796	380,560
Other taxation and social security	204,897	189,466
Other creditors	305,602	296,737
Accruals and deferred income	613,540	509,129
	1,563,835	1,375,892

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	389,167	361,848
Resources deferred during the year	382,961	389,167
Amounts released from previous periods	(389,167)	(361,848)
	382,961	389,167

At the balance sheet date the trust was holding funds received in advance primarily for Universal Infant Free School Meal Funding and trip income for 2021/22.

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19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Salix loans	11,775	15,034
	<u> </u>	<u> </u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021	2020
	£	£
Repayable by instalments	-	1,994
	<u> </u>	<u> </u>

There are two Salix loans totalling £16,363 (2020: £19,623) in respect of Condition Improvement Fund (CIF) which are both provided on an interest free basis, repayable over 8 years.

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20. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General funds	889,070	770,771	(909,839)	-	-	750,002
Free School projects	620,000	-	(170,000)	-	-	450,000
Other designated funds	420,000	-	(108,720)	(236,280)	-	75,000
Unrestricted fixed asset - Field Court	-	-	(394)	236,280	-	235,886
	1,929,070	770,771	(1,188,953)	-	-	1,510,888
RESTRICTED GENERAL FUNDS						
General Annual Grant	569,514	13,763,558	(13,749,228)	(46,309)	-	537,535
Pupil Premium	-	745,570	(741,524)	-	-	4,046
Start up grant	6,920	-	(6,920)	-	-	-
Other ESFA grants	302,110	1,459,138	(1,275,097)	-	-	486,151
Other Local Authority grants	7,061	-	(7,061)	-	-	-
VSF Expansion	58,792	115,000	(157,260)	-	-	16,532
Higher Needs	-	508,457	(508,457)	-	-	-
Universal Infant Free School Meals	-	566,649	(566,649)	-	-	-
Other restricted funds	15,121	157,903	(80,777)	-	-	92,247
School Trip income	-	79,777	(79,777)	-	-	-
Pension reserve	(9,578,000)	-	(901,000)	-	(2,328,000)	(12,807,000)
	(8,618,482)	17,396,052	(18,073,750)	(46,309)	(2,328,000)	(11,670,489)

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	32,788,212	-	(600,489)	-	-	32,187,723
Fixed assets purchased from GAG and other restricted funds	2,632,241	106,180	(120,283)	46,309	-	2,664,447
Clearwater	20,491	5,000,006	(110,936)	-	-	4,909,561
Local Authority grants	1,330,541	-	(36,237)	-	-	1,294,304
School Condition Allocation	723,583	398,481	(256,894)	-	-	865,170
Fixed asset donations	153,934	-	(22,022)	-	-	131,912
	<u>37,649,002</u>	<u>5,504,667</u>	<u>(1,146,861)</u>	<u>46,309</u>	<u>-</u>	<u>42,053,117</u>
TOTAL RESTRICTED FUNDS	29,030,520	22,900,719	(19,220,611)	-	(2,328,000)	30,382,628
TOTAL FUNDS	30,959,590	23,671,490	(20,409,564)	-	(2,328,000)	31,893,516

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

Unrestricted funds

The designated funds within the unrestricted reserves are allocated for the following Free School projects and other designated funds:

- c.£25k of Field Court CofE Infant Academy's unrestricted reserves is designated for completion of minor works associated to the building expansion that took place in year.
- c. £50K of Longney CoE Primary's unrestricted reserves is for the improvement of the temporary classrooms, which are being replaced in 2021/22.
- c.£450k of restricted reserves is designated for resourcing needs at Clearwater CofE Primary Academy. The Academy moved to their permanent site in 2021 and are now in a position of pupil numbers exceeding GAG funding while the school grows in size.
- The balance of funds is held to cover any unforeseen increases in operating costs.

The unrestricted fixed asset represents assets purchased by Field Court COfE Infant Academy out of the unrestricted fund described above.

Restricted funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

Pupil Premium - Income from the ESFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the students who need it most.

Start up grant - This represents funding received from the ESFA to contribute to the conversion process.

Other ESFA grants - This represents funding from the ESFA for other specific purposes. Including Teachers Pay and Pension grants, to cover the costs of increased Teachers' salaries, PE and Sports Premium, which must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles and COVID Catch up funding which is to ensure that schools have the support they need to help all pupils make up for missed learning.

Other Local Authority grants - Income which has been received from the local authority for specific reasons.

VSF Expansion Grant - Income received to enable the central team to grow in order to support the increased number of academies within the Trust.

High Needs Funding - Income awarded for pupils identified with additional needs and received directly from the Local Authority.

Universal Infant Free School Meals - Grant received from the ESFA to provide free school meals to reception and Key Stage 1 pupils.

School Condition Allocation - funding for large Multi-Academy Trusts for capital projects and the maintenance of school buildings.

Other restricted funds - This comprises restricted donations received.

School Trip Income - Income received from parents to contribute towards educational trips.

Pension reserve - This represents the Trust share of the assets and liabilities in the Local Government Pension Scheme.

Restricted fixed asset funds

Fixed assets transferred on conversion - This represents the incoming property and equipment upon academy conversion.

Fixed assets purchased from GAG and other restricted funds - This represents funding from the ESFA used to cover the purchase of academies' assets. It includes various types of ESFA capital funding including:

- Devolved Formula Capital - funding to cover the maintenance and purchase of the Trust's assets.
- Academies Capital Maintenance Fund - funding for specific capital projects, up to 31 March 2015.
- Condition Improvement Fund - funding which replaced ACMF as funding for specific capital projects from 1 April 2015.

Clearwater - This represents funding from the ESFA to provide financial support for capital purchases for the start up of Clearwater Church of England Primary Academy including the Donated Land and Buildings in the year ending 31 August 2021.

Local Authority grants - This represents funding from the Local Authority to cover the addition of Trust assets.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (CONTINUED)

School Condition Allocation represents funding for large Multi-Academy Trusts for capital projects and the maintenance of school buildings.

Fixed asset donations - This represents donations for specific capital purposes.

The transfers between funds in the year relate to revenue funds including SCA and GAG which were used to purchase capital items for the Trust.

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

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	1,049,334	879,513	(799,777)	(240,000)	-	889,070
Free School projects	500,000	-	-	120,000	-	620,000
Other designated funds	300,000	-	-	120,000	-	420,000
	<u>1,849,334</u>	<u>879,513</u>	<u>(799,777)</u>	<u>-</u>	<u>-</u>	<u>1,929,070</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant	597,787	13,325,865	(13,511,941)	157,803	-	569,514
Pupil Premium	-	709,419	(709,419)	-	-	-
Start up grant	70,070	-	(63,150)	-	-	6,920
Devolved formula capital	188,624	-	(114,949)	(73,675)	-	-
Other ESFA grants	-	1,374,056	(1,071,946)	-	-	302,110
Other Local Authority grants	3,602	47,567	(44,108)	-	-	7,061
VSF Expansion	86,540	150,000	(177,748)	-	-	58,792
Higher Needs	-	349,854	(349,854)	-	-	-
Universal Infant Free School Meals	-	557,429	(557,429)	-	-	-
Other restricted funds	45,119	243,287	(273,285)	-	-	15,121
School Trip income	-	150,271	(150,271)	-	-	-
Pension reserve	(8,384,000)	-	(1,156,000)	-	(38,000)	(9,578,000)
	<u>(7,392,258)</u>	<u>16,907,748</u>	<u>(18,180,100)</u>	<u>84,128</u>	<u>(38,000)</u>	<u>(8,618,482)</u>

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	33,391,695	-	(603,483)	-	-	32,788,212
Fixed assets purchased from GAG and other restricted funds	2,577,781	106,505	(125,720)	73,675	-	2,632,241
Clearwater	82,248	-	(61,757)	-	-	20,491
Local Authority grants	1,362,488	-	(31,947)	-	-	1,330,541
School Condition Allocation	297,843	583,543	-	(157,803)	-	723,583
Fixed asset donations	174,513	9,004	(29,583)	-	-	153,934
	<u>37,886,568</u>	<u>699,052</u>	<u>(852,490)</u>	<u>(84,128)</u>	<u>-</u>	<u>37,649,002</u>
TOTAL RESTRICTED FUNDS	<u>30,494,310</u>	<u>17,606,800</u>	<u>(19,032,590)</u>	<u>-</u>	<u>(38,000)</u>	<u>29,030,520</u>
TOTAL FUNDS	<u><u>32,343,644</u></u>	<u><u>18,486,313</u></u>	<u><u>(19,832,367)</u></u>	<u><u>-</u></u>	<u><u>(38,000)</u></u>	<u><u>30,959,590</u></u>

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Central Services	157,965	454,620
Bibury C of E Primary Academy	204,513	159,694
Clearwater C of E Primary Academy	577,455	629,685
Coaley C of E Primary Academy	56,069	75,974
Dursley C of E Primary Academy	38,292	18,218
Field Court C of E Infant Academy	26,899	326,459
Hardwicke Parochial Primary Academy	127,433	68,692
Lakefield C of E Primary School	169,633	192,049
Longney C of E Primary Academy	126,556	139,298
Minchinhampton C of E Primary Academy	110,661	52,574
North Cerney C of E Primary Academy	43,584	33,517
Primrose Hill C of E Primary Academy	130,581	108,447
St James C of E Primary School	149,237	125,322
St John's C of E Primary Academy	117,980	147,430
St Lawrence C of E Primary School	111,193	73,987
St Matthew's C of E Primary Academy	78,422	82,805
Whiteshill Primary School	51,388	50,451
Winchcombe Abbey C of E Primary School	133,652	149,366
Unrestricted fixed assets	235,886	-
Total before fixed asset funds and pension reserve	2,647,399	2,888,588
Restricted fixed asset fund	42,053,117	37,649,002
Pension reserve	(12,807,000)	(9,578,000)
TOTAL	31,893,516	30,959,590

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Central Services	644,000	1,025,592	1,920	630,630	2,302,142	2,165,252
Bibury C of E Primary Academy	228,431	28,900	22,235	51,184	330,750	307,585
Clearwater C of E Primary Academy	455,301	57,252	34,923	177,895	725,371	550,974
Coaley C of E Primary Academy	234,102	40,860	26,628	65,172	366,762	306,792
Dursley C of E Primary Academy	971,127	157,568	34,345	191,103	1,354,143	1,548,634
Field Court C of E Infant Academy	937,449	385,968	45,578	207,034	1,576,029	1,489,906
Hardwicke Parochial Primary Academy	1,343,528	196,142	68,245	260,035	1,867,950	1,935,157
Lakefield C of E Primary School	689,168	206,528	26,105	143,672	1,065,473	1,053,238
Longney C of E Primary Academy	381,151	42,267	28,326	88,969	540,713	521,170
Minchinhampton C of E Primary Academy	997,064	201,853	44,033	247,989	1,490,939	1,431,840
North Cerney C of E Primary Academy	241,653	18,358	26,275	63,430	349,716	344,339
Primrose Hill C of E Primary Academy	689,235	116,462	16,902	154,363	976,962	984,716
St James C of E Primary School	1,333,430	148,485	52,196	265,138	1,799,249	1,759,671
St John's C of E Primary Academy	596,509	128,283	41,354	122,696	888,842	883,678

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
St Lawrence C of E Primary School	617,388	97,319	24,975	132,271	871,953	892,105
St Matthew's C of E Primary Academy	675,598	118,585	49,512	131,845	975,540	916,698
Whiteshill Primary School	376,536	41,612	25,227	105,742	549,117	524,076
Winchcombe Abbey C of E Primary School	1,096,475	134,627	44,863	211,587	1,487,552	1,364,046
TRUST	12,508,145	3,146,661	613,642	3,250,755	19,519,203	18,979,877

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	235,886	-	41,028,730	41,264,616
Current assets	1,275,002	2,712,121	1,024,387	5,011,510
Creditors due within one year	-	(1,563,835)	-	(1,563,835)
Creditors due in more than one year	-	(11,775)	-	(11,775)
Pension scheme liability	-	(12,807,000)	-	(12,807,000)
TOTAL	1,510,888	(11,670,489)	42,053,117	31,893,516

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	36,769,272	36,769,272
Current assets	1,929,070	2,335,410	894,764	5,159,244
Creditors due within one year	-	(1,375,892)	-	(1,375,892)
Creditors due in more than one year	-	-	(15,034)	(15,034)
Pension scheme liability	-	(9,578,000)	-	(9,578,000)
TOTAL	1,929,070	(8,618,482)	37,649,002	30,959,590

**22. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING
ACTIVITIES**

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	3,261,926	(1,346,054)
ADJUSTMENTS FOR:		
Depreciation	890,363	852,490
Capital grants from DfE and other capital income	(504,661)	(606,521)
Interest receivable	(482)	(2,537)
Defined benefit pension scheme cost less contributions payable	732,000	999,000
Defined benefit pension scheme finance cost	169,000	157,000
Decrease in debtors	99,142	128,350
Increase/(decrease) in creditors	187,871	(208,617)
Loss on the sale of fixed assets	-	275
Assets donated to the Trust from the DfE	(5,000,006)	-
NET CASH USED IN OPERATING ACTIVITIES	(164,847)	(26,614)

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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23. CASH FLOWS FROM FINANCING ACTIVITIES

	2021 £	2020 £
Repayment of Salix loan	(3,259)	(3,260)
NET CASH USED IN FINANCING ACTIVITIES	(3,259)	(3,260)

24. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest receivable	482	2,537
Purchase of tangible fixed assets	(385,701)	(13,018)
Capital grants from DfE Group	504,661	606,521
NET CASH PROVIDED BY INVESTING ACTIVITIES	119,442	596,040

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	4,428,687	4,477,351
TOTAL CASH AND CASH EQUIVALENTS	4,428,687	4,477,351

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	4,477,351	(48,664)	4,428,687
Loans	(19,623)	3,259	(16,364)
	4,457,728	(45,405)	4,412,323

27. PENSION COMMITMENTS

The 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 Gloucestershire County Council. Both are multi-employer defined benefit schemes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

27. PENSION COMMITMENTS (CONTINUED)

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

Contributions amounting to £275,535 were payable to the schemes at 31 August 2021 (2020 - £168,170) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,519,409 (2020 - £1,430,719).

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

27. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,409,000 (2020 - £1,291,000), of which employer's contributions totalled £1,172,000 (2020 - £1,062,000) and employees' contributions totalled £237,000 (2020 - £229,000). The agreed contribution rates for future years are 17.8% - 34.0% per cent for employers and 5.5% - 9.9% per cent for employees.

As described in note 27 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	3.2	2.5
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021	2020
	Years	Years
RETIRING TODAY		
Males	21.9	21.7
Females	24.3	23.9
RETIRING IN 20 YEARS		
Males	22.9	22.4
Females	26.0	25.3

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	2021 £	2020 £
Equities	9,267,000	6,588,000
Bonds	2,780,000	2,296,000
Property	927,000	799,000
Cash	265,000	299,000
Total market value of assets	13,239,000	9,982,000

The actual return on scheme assets was £278,000 (2020: £210,000).

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

	2021 £	2020 £
Current service cost	(1,880,000)	(2,035,000)
Past service cost	(24,000)	(26,000)
Interest income	180,000	157,000
Interest cost	(349,000)	(314,000)
Total	(2,073,000)	(2,218,000)

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

	2021 £	2020 £
At 1 September	19,560,000	16,747,000
Current service cost	1,880,000	2,035,000
Past service cost	24,000	26,000
Interest cost	349,000	314,000
Employee contributions	237,000	229,000
Actuarial losses/(gains)	4,154,000	403,000
Benefits paid	(158,000)	(194,000)
At 31 August	26,046,000	19,560,000

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (CONTINUED)

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

	2021 £	2020 £
At 1 September	9,982,000	8,363,000
Interest income	180,000	157,000
Actuarial gains	1,826,000	365,000
Employer contributions	1,172,000	1,062,000
Employee contributions	237,000	229,000
Benefits paid	(158,000)	(194,000)
At 31 August	13,239,000	9,982,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	23,990	31,341
Later than 1 year and not later than 5 years	26,620	30,174
	50,610	61,515

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the 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 trustee have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year, the Trust received Voluntary Schools Fund support of £115,000 (2020: £150,000). In addition to this, the Trust received rent support of £18,107 (2020: £10,672) from the Gloucester Diocesan Board of Finance and made payments to the Gloucester Diocesan Board of Finance of £390 (2020: £965). At the year end, the outstanding balance due from this company was £115,000 (2020: £NIL).

The Trust made purchases of £460 (2020: £184) from a company where one of the Trustees is a director. At the year end, the outstanding balance due to this company was £NIL (2020: £NIL).

The Trust also purchased services from the spouse of a Trustee totalling £9,100 (2020: £9,240). At the year end, the outstanding balance due to this party was £NIL (2020: £840).

**THE DIOCESE OF GLOUCESTER ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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30. 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.

31. CONTROLLING PARTY

The ultimate controlling party is the Diocese of Gloucester Education Trust.