

The Consortium Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

The Consortium Academy Trust

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The Consortium Academy Trust

Reference and Administrative Details

| | |
|--|---|
| Members | S Hodgson D Wills M Walker G Garghan J Pickerill |
| Trustees (Directors) | G Barley (resigned 31 July 2020) E Blair (resigned 16 December 2019) M Craven R Firth I Furlong, Chair P Hanmer P Hogan S Milner D Willoughby (resigned 16 December 2019) P Goatley (appointed 9 December 2019) R White (appointed 1 September 2020) |
| Senior Management Team | D McCready, CEO S Young, Director of Education K Hind, Director of Finance C Thorley, Director of Business P Morris, Head of Estates J Simpson, Director of HR G Stafford, Company Secretary D Brooke, Head of ICT C Gordon, Marketing and Communications Manager |
| Principal and Registered Office | The Consortium Academy Trust Harland Way Cottingham HU16 5PX |
| Company Registration Number | 07665828 |
| Auditors | Forrester Boyd Chartered Accountants 26 South Saint Mary's Gate Grimsby DN31 1LW |
| Bankers | Lloyds Bank 348 Hessle Road Hull HU3 3SD |

The Consortium Academy Trust

Reference and Administrative Details (continued)

Solicitors

Rollits LLP
Citadel House
58 High Street
Hull
HU1 1QE

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, incorporating a strategic report and a directors' report under company law.

The Consortium Academy Trust operate five secondary academies, two primary academies and a through academy in East Yorkshire.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 077665828.

The Trustees of The Consortium Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Consortium Academy Trust.

The academies trade under the following names:

Cottingham High School (& Sixth Form College)
Croxby Primary School
Hessle High School and Penshurst Primary School, also known as The Hessle Academy
Holderness Academy
Howden School
Keyingham Primary School
Winifred Holtby Academy
Wolfreton School (& Sixth Form College)

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

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

Method of recruitment and appointment or election of Trustees

Trustees are appointed by the Members and potential Trustees are recruited using a skills matrix to ensure that wherever possible the Trust Board is made up of Trustees from a range of professional backgrounds, each of whom have experience and areas of expertise that will benefit the Trust Board and complement the skill set of the other Trustees.

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Policies and procedures adopted for the induction and training of Trustees

Prior to their appointment, new Trustees will meet the Chair of the Trust to discuss their skill set and the expectations of both parties. If thought suitable, the Chair will seek approval of the appointment from the Members.

Once approval has been given then copies of 3 identification documents will be taken by the Clerk to verify the individual's identity and the link for an enhanced Disclosure and Barring Service check (DBS) will be sent to their personal email address.

Once the DBS check has come back clear then the Clerk will issue a Trust email account. Trustees will be asked to complete the Governor Data Collection form and the Disclosure of Pecuniary Details form. The Trustee's details will be entered onto the Trust Single Central Record. An ID badge will also be issued.

All Trustees will be issued with the Governor Data Protection Statement, Keeping Children Safe in Education statutory guidance and Child Protection and Safeguarding Policy. The Clerk will also issue the Trustee with all the Trust Board and Committee meeting dates for the year.

The Company Secretary will enter the Trustee details on the 'Get Information About Schools' DfE site and submit the details of the appointment to Companies House.

The Trustees review and update their skills matrix annually. Any learning needs identified on either an individual or board basis are then delivered as necessary to close skills gaps.

Organisational structure

The Academy Trust is governed by the Members of the Academy Trust and the Board of Trustees as per the Memorandum and Articles of Association which are the primary Governing documents of the Academy Trust.

Members may appoint up to 9 Trustees. Members and Trustees who were in office 31 August 2020 and served throughout the period are listed on page 1.

The Board of Trustees is responsible for setting the Vision, Aims and Values of the Trust. They deliver these through their strategic plan. The Trustees approve annual budgets, executive staff appointments and set the direction of the Academy Trust. The Trustees are responsible for monitoring the performance of the Chief Executive Officer and Executive Leadership Group.

To do this effectively the Board of Trustees has created various sub-committees. Each has clearly defined Terms of Reference, membership and delegated powers devolved to them on behalf of the Board of Trustees.

- Finance and Resources Committee (meets at least four times per year)
- Audit and Risk Committee (meets three times per year)
- Pay and Remuneration Committee (meets three times per year)

These committees report to the Board of Trustees which meet as business dictates but at least four times per year.

Trust and Academy policies are developed by senior members of the Academy Trust staff to reflect both the strategic direction agreed by the Board of Trustees and also statutory requirements. These policies are approved and adopted by the Board of Trustees and implemented as procedures and systems by the Executive Leadership Group and other designated members of staff.

The Head Teachers and Senior Leadership Team within each academy are responsible for the day to day running of the academy (internal organisation, management and control).

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Arrangements for setting pay and remuneration of key management personnel

The Trust Board's Pay and Remuneration Committee has delegated responsibilities to oversee this and specifically has the following responsibilities:

- To determine and agree with the Trust Board the framework for the remuneration of the Trust's Chief Executive Officer and other members of the Executive Leadership Group
- To determine the Trust-wide Pay Policy and oversee the process of moderation across the Trust
- To prepare and submit recommendations to the Trustees for the terms of service and remuneration (including pension arrangements) of the executive leaders
- To monitor, evaluate and report (as appropriate) to the Trust Board on the performance of the Chief Executive Officer
- To approve appropriate remuneration packages for any new senior executive leadership appointments
- Having regard to the charitable status of the Trust and in recognition of the fact the Trust receives funding under a funding agreement with the Secretary of State for Education, to ensure the remuneration or other sums paid to a senior executive do not exceed an amount that is reasonable under all circumstances
- To review and note annually the remuneration trends across the Trust

Trade Union Facility Time

Relevant Union Officials

| Number of employees who were relevant union officials during the relevant period | Full time equivalent employee number |
|--|--------------------------------------|
| 8 | 8 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | |
| 1% - 50% | 8 |
| 51% - 99% | |
| 100% | |

Percentage of pay bill spent on facility time

| | |
|---|-------------|
| Provide the total cost of facility time | £17,226 |
| Provide the total pay bill | £35,154,068 |
| Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100 | 0.05% |

Paid trade union activities

| | |
|--|---|
| Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100 | 0 |
|--|---|

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Connected organisations, including related party relationships

The Trust is a strategic partner of the Wolds Teaching School Alliance, supporting new entrants to the profession and the professional development of colleagues. This partnership will support the Trust's desire to ensure we have a sustainable recruitment plan for high quality teaching staff.

The Trust has one Associate Member – St Anne's School and Sixth Form College, which has access to support provided through the Headteacher Board.

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

The Trustees ensure they have had regard to the need to foster the Trust's business relationships with suppliers, customers and others. The Trustees, with guidance from the CEO and Executive Team, have ensured all decisions have regard to:

- The likely consequences of any decision in the long term
- The interests of the Trust's employees
- The need to foster the company's business relationships with suppliers, customers and others
- The impact of the Trust's operations on the community and environment
- Maintaining a reputation for high standards of business conduct

The Director of Business oversees the Trust's business contracts and maintains regular contact with the Trust's key suppliers. Regular contact with other suppliers is maintained through the Trust's central finance team.

The Companies (Miscellaneous Reporting) Regulations 2018 introduce a requirement for large companies to include a statement in their directors' (trustees') report summarising how they have had regard to the need to foster the company's business relationship with suppliers, customers and others.

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Engagement with employees (including disabled persons)

The Trustees ensure information is communicated both directly, and through the CEO and Executive Team, aimed at:

- Providing employees with information on matters of concern to them
- Consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- Encouraging the involvement of the employees in the Trust's performance
- Achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust

During the period, the Trust has taken the following actions to engage and consult with its employees:

- The publication of a termly newsletter to inform all staff of news from the Trust
- Holding half termly JCNC meetings to engage with union representatives and consult on elements of Trust policy
- Conducting an annual staff survey with the findings shared with employees
- Introducing 'Time 2 Talk@TCAT sessions in each academy

The Trustees recognise that equal opportunities are an integral part of good practice within the workplace. The Trust is committed to equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Trust estate, where possible. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making resources available and through training and career development.

If an employee becomes disabled during their employment the Trust supports them by making adjustments to their work and environment to enable them to carry out their duties.

The Companies (Miscellaneous Reporting) Regulations 2018 introduce a requirement for companies with more than 250 employees to include a statement in their directors' (trustees') report summarising action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the company's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the company.
- its policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled person

Objectives and activities

Objects and aims

The principal object and activity of the charitable company to 31 August 2020 was the operation of its academies, providing education for learners of mixed abilities between the ages of 3 and 19.

The Trust has been developed in order to provide the platform to deliver high quality educational experiences for the children and young people within the local community that enhance and improve their life chances, and enable them to make substantial and sustained contributions to society.

The Trust's Vision is to be:

A Trust that promotes academic excellence, where exciting opportunities allow pupils to excel in all that they do, and leave prepared to achieve all their ambitions.

A Trust whose academies deliver the maximum potential for progress through inspirational teaching and learning, and outstanding school to school support.

A Trust with a leading community role, whose academies are the preferred choice for students, parents and staff.

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Objectives, strategies and activities

The main objectives of the Academy Trust during the year ended 31 August are summarised below:

The Consortium Academy Trust will:

- promote excellence for all learners;
- actively encourage shared working, adopting common approaches where it is in the best interests of learners;
- establish robust and transparent systems of accountability;
- delegate decision making to the individual academy level, providing this proves effective;
- provide effective strategic leadership and intervention in academies where this is required.

It is operated through:

- a governance model and membership that provides robust scrutiny, challenge and strategic oversight;
- proven collective expertise and experience in system based improvement in all phases and types of education;
- a flexible resource model that ensures the Trust will be sustainable and have access to high quality financial and support systems that promote and are responsive to growth;
- a range of partnerships to ensure support can be procured and rapidly deployed to meet the needs of all academies; and
- a business model that ensures that our internal school improvement capacity will be rapidly developed within our academies.

Public benefit

Learners are admitted in accordance with the admissions policy agreed with the DfE. Learners are admitted from a wide range of backgrounds. The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Achievements and performance

As a result of the Coronavirus pandemic, there were no formal external assessments or examinations taken for the academic year 2019/20.

In their place the following procedures were implemented.

At Key Stages 1 and 2 formal assessments were cancelled and there was no requirement for Teacher Assessments to be published although some internal assessments were used to inform future teaching and learning needs.

At Key Stage 2 pupils in Year 6 did not take any formal assessments and no national outcomes were collated.

At Key Stages 4 and 5 all academies were required to assess all students based on teacher assessment conducted during the key stage. The process involved teachers ranking all students studying a subject by assigning a grade based on their knowledge of the student. These grades were moderated within subject departments and also across the Trust.

The Centre Assessed Grades (CAGs) were then submitted to the Exam Boards for further moderation prior to the students receiving their grades as normal on the calendared dates in August.

Following publication of the A level grades the procedure was amended due to the criticism received by the Exam Boards regarding the fairness of the process. The outcome being that all students entered for examinations at both key stages were awarded the Centre Assessed Grades submitted by the academy to the Exam Board.

The annual School Performance Tables were cancelled for the academic year 2019/20.

Despite the cancellation of all formal assessments for the 2019/20 academic year there were however some notable achievement recorded across the Trust with Learners achieving some outstanding results at Key Stage 4 and Key Stage 5. This success ensured that all students were able to progress to the next phase of their education and/or employment, equipped with the knowledge, skills and experience needed to be successful on their chosen route.

Strategic Objectives for 2019 - 2022

The Board of Trustees, the CEO and the Executive Leadership Group have agreed five key strategic objectives to guide the Trust's growth, to harmonise and embed systems and procedures, support teaching and learning and so improve outcomes for all groups of learners across all academies:

Operational Effectiveness - development of central services provision increasing effectiveness and efficiency

1. Establish the systems, protocols and procedures that ensure the Trust functions effectively and is financially sustainable

Educational Standards - improving outcomes for all groups of learner across all academies

2. Design and implement a common Academy Improvement model for the Trust in order to secure effective improvement in all academies
3. Develop and embed a Trust wide approach to Teaching and Learning that supports progress, motivates learners and improves outcomes for all groups of learners in all academies

Structure and Growth - harmonising protocols and procedures in a financially sustainable environment, seeking like-minded schools to enhance and grow the Trust

4. Establish, implement and embed a common approach across the Trust to the use of data, assessment and monitoring to support teaching and learning

Leadership and People - development and retention of a highly effective and skilled workforce

5. Provide opportunities for all staff within the Trust to have access to relevant professional development activities in order to develop and retain a highly effective and skilled workforce

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Key Performance Indicators

The Trust uses the following key performance indicators:

- % spent on staffing is below 80%
- The level of general reserves held is equivalent to one month's payroll costs
- Trust academies are judged at least 'good' in all areas by Ofsted

For the year to 31 August 2020:

- % of spending on staffing is 76% which achieves our target.
- The level of general reserves held is above the target of one month's payroll costs (£4,021,683 compared to £3,731,584). This has been achieved due to significant underspends during the year due to the partial closures of the academies due to the Covid19 pandemic. It is anticipated that a proportion of reserves will need to be used during 2020/21 and potentially beyond to support the academies' running as the pandemic continues.
- The latest Ofsted ratings for the Trust, including the academies which have joined in 2019/20 are as follows:
 - Good 4 academies
 - Requires Improvement 1 academy
 - No designation (sponsored academies) 3 academies

Going concern

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

Financial review

The Trust has expanded further in 2019/20 with the addition of a further primary and a secondary academy.

The Trust's principal source of funding is grant income from the ESFA, which is designated on an annual basis and the use of which is restricted.

The in-year surplus for unrestricted funds and restricted general funds is £3,164,237. All of our academies generated an in year surplus and most of the surpluses were significantly higher than budgeted. This is partly due to cost savings due to the partial closure of the academies because of Covid-19. It is anticipated that savings arising from 2019/20 will be required to fund Covid-19 recovery during 2020/21 and beyond.

Unrestricted and restricted general reserves, excluding the pension fund at 31 August 2020 are £4,021,683. This exceeds the Trust's reserves policy of one month's costs (£3,731,584). This includes reserves transferred into the Trust of the two academies that joined during the year, Winifred Holtby Academy (£1,002,379) and Keyingham Primary School (£112,884).

Net assets, excluding the pension liability, are £144,190,459, of which £138,634,656 relates to land and buildings.

Reserves policy

The Trust has a policy to hold general reserves equal to one month's payroll costs. This is to cover unexpected costs such as urgent maintenance required to our sites and buildings and to help manage shrinking budgets. The Trust's current level of restricted general reserves is £2,218,740 and unrestricted general reserves is £1,802,943 making a total free reserves of £4,021,683. This exceeds the reserves policy £3,731,584.

The restricted fixed asset fund of £140,168,776 includes £139,545,368 which can only be realised on disposal of fixed assets. A deficit of £820,240 relates to expenditure on energy schemes via the Salix Loan Scheme. The deficit will be repaid over the loan period of 8 years. £140,631 relates to sinking funds for the 3G pitches. The remainder relates to capital grant income which has been received in the year but not yet spent.

The Consortium Academy Trust

Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Investment policy

The Trust's investment policy is to invest excess funds in cash management accounts and/or term deposit or instant access deposit accounts. This approach is taken to maximise investment income whilst fulfilling the working capital requirements of the Trust.

Principal risks and uncertainties

The Trust has implemented a Risk Management Strategy to ensure that there is a framework in place for managing the risks the Trust and its academies face. The strategy complies with risk management best practice and helps the Trust to achieve its objectives in the most effective way.

The risk register provides a means of evaluating the risks faced against agreed criteria. This register is split into two sections: The strategic risks faced by the Trust and the risks faced by individual academies. The strategic risk register is reviewed regularly by the Executive Leadership Group and the Audit Board, while the academy registers are the responsibility of Headteachers and Local Governing Bodies.

The main strategic risks identified include:

- Impact of the Global pandemic on Educational outcomes and the ability of the Trust to operate effectively
- Failure to meet legal and financial obligations related to staff
- Failure to comply with General Data Protection Regulation (GDPR)

The coronavirus pandemic has affected all areas of society, including the Trust. The potential impact of Covid-19 on the health and well-being of staff and learners is significant and in planning our response to manage the situation we have made every attempt to mitigate against this risk. The financial impact of the pandemic has been felt across the Trust including, the increase in staffing costs due to absence, the purchase of PPE, the loss of income from letting our facilities and from our catering provision. In addition, the cancellation of public examinations in 2020 has impacted on the life chances of our young people.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

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Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 01 September 2019 to 31 August 2020

| | 2020 |
|--|----------------|
| Energy consumption used to calculate emissions (kWh) | 8,404,194 |
| Scope 1 emissions in metric tonnes CO2e | |
| Owned transport | 3.63 |
| Gas consumption | 1034.20 |
| Total scope 1 | 1037.83 |
| Scope 2 emissions in metric tonnes CO2e | |
| Purchased electricity | 640.69 |
| Scope 3 emissions in metric tonnes CO2e | |
| Business travel in employee owned vehicles | 3.63 |
| Total gross emissions in metric tonnes CO2e | 1682.15 |
| Intensity ratio | |
| Tonnes CO2e per pupil | 0.22 |

Quantification and Reporting Methodology:

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

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed LED lighting in three of our academies via the Salix loan lighting scheme and have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

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Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Plans for future periods

The Trust continues to grow, and Winifred Holtby Academy joined the Trust at the start of the 2019/20 academic year. In addition, TCAT was selected as the sponsor for Keyingham Primary, a school judged as Inadequate in its most recent Ofsted inspection. The school joined the Trust in March 2020.

The Trust is also working in partnership with an Associate Member school - St Anne's School and Sixth Form College – an Outstanding Special school located in Welton

It is envisaged that this school will join the Trust in due course should conditions permit.

In addition, the Trust hopes to expand the primary phase over the next year.

In terms of Central Services, the following plans are in place:

- The implementation of a three year Strategic Plan
- The creation and implementation of a strategic plan for IT across the Trust. Progress in this area has been accelerated during the pandemic in order to provide an IT infrastructure that supports Blended Learning
- Further additions to the Central Team including a Pensions Officer and a Mental Health Support Worker
- The implementation of a Trust marketing strategy to continue to build the brand
- The appointment of 2 additional Academy Improvement Leaders complement the existing 3. This team supports the Director of Education in the delivery of academy improvement activities across the Trust
- Continued expansion of opportunities for collaborative working across the Trust to support harmonisation of policies and procedures where appropriate
- The implementation of a Trust Recruitment procedure
- Continued development of the Academy Improvement Programme

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Trustees Annual Report for the Year Ended 31 August 2020 (continued)

Auditor

Insofar as the Trustees are aware:

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

Trustees Annual Report , incorporating the Directors' Report and Strategic Report, was approved by order of the members of the Board of Trustees as company Directors on 7 December 2020 and signed on its behalf by:



I Furlong
Trustee

The Consortium Academy Trust

Governance Statement

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Consortium Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees Annual Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 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 |
|--|-------------------|-------------------|
| I Furlong, Chair | 6 | 6 |
| G Barley (resigned 31 July 2020) | 4 | 6 |
| E Blair (resigned 16 December 2019) | 1 | 3 |
| M Craven | 6 | 6 |
| R Firth | 6 | 6 |
| P Hanmer | 6 | 6 |
| P Hogan | 6 | 6 |
| S Milner | 6 | 6 |
| D Willoughby (resigned 16 December 2019) | 2 | 3 |
| P Goatley (appointed 9 December 2019) | 3 | 4 |

Governance reviews

The Academy continues to actively encourage the appointment of Trustees with essential skills.

The Board is consistently monitoring its own standards of governance to identify any areas of weakness.

Plans would be implemented to improve such areas if they were identified.

The Finance and Resource Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure the appropriate and effective use of Trust funds, to ensure appropriate financial procedures and controls are in place, to approve and monitor key HR policies and to have oversight of Health & Safety and capital works within the Trust. Attendance at meetings during the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|-----------|-------------------|-------------------|
| M Craven | 3 | 3 |
| I Furlong | 3 | 3 |
| S Milner | 3 | 3 |

The Consortium Academy Trust

Governance Statement (continued)

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure probity in the financial decision making and procedures of the Trust, to commission and receive internal and external reports and ensure the recommendations are enacted and to call the CEO and Finance & Resources Committee to account for their decisions and actions. Attendance at meetings during the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------|-------------------|-------------------|
| P Hanmer | 2 | 2 |
| G Barley | 1 | 2 |
| R Firth | 2 | 2 |
| P Hogan | 2 | 2 |

Review of value for money

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

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

- Centralising the Finance and HR functions of the Trust, increasing efficiency and reducing staff costs
- Continuing joint procurement projects across the Trust, including the School Bus contract for several of our academies
- Developing IT as a Traded Service through the contract with Tweendykes School to provide a managed IT service for 2 years initially
- Undertaking a restructure in one academy to ensure staffing levels are appropriate to the needs of the academy and in appropriate areas
- Commencing a restructure of Premises and ICT staff to bring them together under the Line Management of the Heads of Estates and ICT respectively.

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;

The Consortium Academy Trust

Governance Statement (continued)

- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

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

- The Trustees have appointed Smailes Goldie as internal auditor.

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

- Testing of personnel records
- Testing of purchase systems
- Testing of purchasing card systems
- Testing of budgetary control, budget monitoring and budget setting

Termly, the internal auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

There were no material control or other issues reported by the Internal Auditor to date.

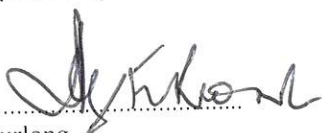
Review of effectiveness

As Accounting Officer, the Chief Executive Officer (CEO) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the Board of Trustees on 7 December 2020 and signed on its behalf by:


.....
I Furlong
Trustee


.....
D McCready
Accounting officer

The Consortium Academy Trust

Statement on Regularity, Propriety and Compliance

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

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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



D McCready
Accounting Officer

28 November 2019

The Consortium Academy Trust

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board on 7 December 2020 and signed on its behalf by:


.....
I Furlong
Trustee

The Consortium Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Consortium Academy Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. Other information includes the Trustees' Annual Report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

The Consortium Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Consortium Academy Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (incorporating the Strategic report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' 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 Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Directors' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 19], the Trustees (who are also the directors of the Academy 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 Academy Trust ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

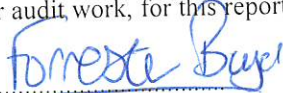
Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

Use of our report

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



Carrie Anne Jensen ACA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor

26 South Saint Mary's Gate

Grimsby

DN31 1LW

7 December 2020

The Consortium Academy Trust

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

In accordance with the terms of our engagement letter dated 8 June 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Consortium Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of The Consortium Academy Trust's funding agreement with the Secretary of State for Education dated 29 August 2018 and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

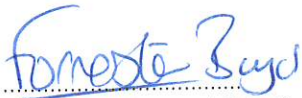
- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all the activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

The Consortium Academy Trust

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



Carrie Anne Jensen ACA, Reporting Accountant
For and on behalf of Forrester Boyd Chartered Accountants

26 South Saint Mary's Gate
Grimsby
DN31 1LW

7 December 2020

The Consortium Academy Trust

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

| | Note | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2019/20 Total £ |
|---|------|----------------------------|-------------------------------------|---|-----------------------|
| Income and endowments from: | | | | | |
| Donations and capital grants | 2 | 1,184,143 | (2,710,086) | 2,001,627 | 475,684 |
| Transfer on conversion | 29 | 94,064 | (371,000) | 4,208,820 | 3,931,884 |
| <i>Charitable activities:</i> | | | | | |
| Funding for the Academy trust's educational operations | 3 | 2,727 | 43,844,601 | - | 43,847,328 |
| Other trading activities | 4 | 130,245 | 285,616 | - | 415,861 |
| Investments | 5 | 7,475 | - | - | 7,475 |
| Total | | <u>1,418,654</u> | <u>41,049,131</u> | <u>6,210,447</u> | <u>48,678,232</u> |
| Expenditure on: | | | | | |
| Raising funds | 6 | 215,592 | - | - | 215,592 |
| <i>Charitable activities:</i> | | | | | |
| Academy trust educational operations | 7 | <u>119,262</u> | <u>43,684,426</u> | <u>4,336,325</u> | <u>48,140,013</u> |
| Total | | <u>334,854</u> | <u>43,684,426</u> | <u>4,336,325</u> | <u>48,355,605</u> |
| Net income/(expenditure) | | 1,083,800 | (2,635,295) | 1,874,122 | 322,627 |
| Transfers between funds | | - | (451,268) | 451,268 | - |
| Other recognised gains and losses | | | | | |
| Actuarial gains on defined benefit pension schemes | 25 | <u>-</u> | <u>(1,531,000)</u> | <u>-</u> | <u>(1,531,000)</u> |
| Net movement in funds/(deficit) | | 1,083,800 | (4,617,563) | 2,325,390 | (1,208,373) |
| Reconciliation of funds | | | | | |
| Total funds/(deficit) brought forward at 1 September 2019 as restated | | <u>719,143</u> | <u>(10,009,697)</u> | <u>137,843,386</u> | <u>128,552,832</u> |
| Total funds/(deficit) carried forward at 31 August 2020 | | <u>1,802,943</u> | <u>(14,627,260)</u> | <u>140,168,776</u> | <u>127,344,459</u> |

Comparative figures are stated on page 25.

The Consortium Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account) As Restated

| | Note | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2018/19 Total £ |
|---|------|----------------------------|-------------------------------------|---|---------------------------|
| Income and endowments from: | | | | | |
| Voluntary income | | | | | |
| Donations and capital grants | 2 | 538,732 | 6,096 | 1,422,991 | 1,967,819 |
| Transfer on conversion | | 54,173 | (1,028,651) | 42,521,713 | 41,547,235 |
| <i>Charitable activities:</i> | | | | | |
| Funding for the Academy trust's educational operations | 3 | 614 | 30,410,795 | - | 30,411,409 |
| Other trading activities | 4 | 192,465 | 282,730 | - | 475,195 |
| Investments | 5 | 6,793 | - | - | 6,793 |
| Total | | <u>792,777</u> | <u>29,670,970</u> | <u>43,944,704</u> | <u>74,408,451</u> |
| Expenditure on: | | | | | |
| Raising funds | 6 | 563,876 | - | - | 563,876 |
| <i>Charitable activities:</i> | | | | | |
| Academy trust educational operations | 7 | <u>200</u> | <u>31,991,187</u> | <u>3,361,429</u> | <u>35,352,816</u> |
| Total | | <u>564,076</u> | <u>31,991,187</u> | <u>3,361,429</u> | <u>35,916,692</u> |
| Net income/(expenditure) | | 228,701 | (2,320,217) | 40,583,275 | 38,491,759 |
| Transfers between funds | | - | (125,656) | 125,656 | - |
| Other recognised gains and losses | | | | | |
| Actuarial gains on defined benefit pension schemes | 25 | <u>-</u> | <u>(4,415,000)</u> | <u>-</u> | <u>(4,415,000)</u> |
| Net movement in funds/(deficit) | | 228,701 | (6,860,873) | 40,708,931 | 34,076,759 |
| Reconciliation of funds | | | | | |
| Total funds/(deficit) brought forward at 1 September 2018 | | <u>490,442</u> | <u>(3,148,824)</u> | <u>97,134,455</u> | <u>94,476,073</u> |
| Total funds/(deficit) carried forward at 31 August 2019 | | <u><u>719,143</u></u> | <u><u>(10,009,697)</u></u> | <u><u>137,843,386</u></u> | <u><u>128,552,832</u></u> |

The Consortium Academy Trust
(Registration number: 07665828)
Balance Sheet as at 31 August 2020

| | Note | 2020 £ | 2019 £ |
|---|------|---------------------------|---------------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 139,545,368 | 137,137,462 |
| Current assets | | | |
| Debtors | 13 | 1,323,940 | 1,124,949 |
| Cash at bank and in hand | | <u>7,732,067</u> | <u>3,758,425</u> |
| | | 9,056,007 | 4,883,374 |
| Creditors: Amounts falling due within one year | 14 | <u>(3,607,336)</u> | <u>(2,655,288)</u> |
| Net current assets | | <u>5,448,671</u> | <u>2,228,086</u> |
| Total assets less current liabilities | | 144,994,039 | 139,365,548 |
| Creditors: Amounts falling due after more than one year | 15 | <u>(803,580)</u> | <u>(664,716)</u> |
| Net assets excluding pension liability | | 144,190,459 | 138,700,832 |
| Pension scheme liability | 25 | <u>(16,846,000)</u> | <u>(10,148,000)</u> |
| Net assets including pension liability | | <u><u>127,344,459</u></u> | <u><u>128,552,832</u></u> |
| Funds of the Academy: | | | |
| Restricted funds | | | |
| Restricted general fund | | 2,218,740 | 138,303 |
| Restricted fixed asset fund | | 140,168,776 | 137,843,386 |
| Restricted pension fund | | <u>(16,846,000)</u> | <u>(10,148,000)</u> |
| | | 125,541,516 | 127,833,689 |
| Unrestricted funds | | | |
| Unrestricted general fund | | <u>1,802,943</u> | <u>719,143</u> |
| Total funds | 16 | <u><u>127,344,459</u></u> | <u><u>128,552,832</u></u> |

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue on 7 December 2020 and signed on their behalf by:



 I Furlong
 Trustee

The Consortium Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2020

| | Note | 2020 £ | 2019 £ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | 3,030,706 | 750,176 |
| Cash transferred on conversion to an academy trust | | (112,884) | (437,591) |
| Cash flows from investing activities | 21 | 963,302 | 901,875 |
| Cash flows from financing activities | 20 | <u>92,518</u> | <u>203,779</u> |
| Change in cash and cash equivalents in the year | | 3,973,642 | 1,418,239 |
| Cash and cash equivalents at 1 September | | <u>3,758,425</u> | <u>2,340,186</u> |
| Cash and cash equivalents at 31 August | 22 | <u><u>7,732,067</u></u> | <u><u>3,758,425</u></u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

General information

The academy Trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:

The Consortium Academy Trust

Harland Way

Cottingham

HU16 5PX

These financial statements were authorised for issue by the Board on 30 November 2020.

Statement of accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

The financial statements cover the individual entity The Consortium Academy Trust.

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

Going concern

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

Income

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

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Grants

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

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

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

Donations

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

Other income

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

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer of existing academies into the trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

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

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

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

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

| Asset class | Depreciation method and rate |
|---------------------|------------------------------|
| Leasehold land | 125 years straight line |
| Leasehold buildings | 50 years straight line |
| Computer equipment | 10% - 33% straight line |
| Plant and machinery | 20% straight line |
| Motor vehicles | 20% straight line |

Liabilities

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

Private finance initiative

The Winifred Holtby Academy building was built under a private finance initiative ("PFI") agreement by Kingston Upon Hull City Council.

When the school converted to an academy the agreement was legally amended to take account of the change in circumstances. For the length of the agreement Kingston Upon Hull City Council undertake to fund the payments under the PFI agreement. The proportion of the cost that relates to the operation and maintenance of the building is charged to Winifred Holtby Academy by Kingston Upon Hull City Council on a monthly basis, and is re-calculated annually. The proportion of the cost that relates to the capital and finance costs payments under the agreement is charged to Winifred Holtby Academy by Kingston Upon Hull City Council, however Winifred Holtby Academy receive equivalent funding each year from the Education and Skills Funding Agency (ESFA) to cover the capital and finance costs payments in their entirety.

The income received from the ESFA for the PFI contribution is included in the Statement of Financial Activities under 'Funding for the academy trust's education operations'. The expenditure incurred is included in the Statement of Financial Activities under 'Academy trust educational operations'.

The private finance liability remains with Kingston Upon Hull City Council and, therefore, the governors have decided to treat the payments to Kingston Upon Hull City Council as if they were made under an operating lease agreement.

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Leased assets

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

Long term leasehold properties:

The land and buildings are held on a 125 year lease with East Riding Yorkshire Council. They were recognised as an asset on conversion and are being depreciated accordingly.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at transaction price less any provision for impairment. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at transaction price. 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.

Taxation

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

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

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 0% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

2 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Restricted fixed asset funds £ | 2019/20 Total £ | 2018/19 Total £ |
|---|----------------------------|--------------------------|---|-----------------------|-----------------------|
| Other voluntary income | | | | | |
| Educational trips and visits | 176,606 | - | - | 176,606 | 538,732 |
| Transfer from academy trust on conversion | 1,002,380 | (2,712,000) | 549,664 | (1,159,956) | - |
| Capital grants | - | - | 1,441,963 | 1,441,963 | 1,422,991 |
| Other capital income | - | - | 10,000 | 10,000 | - |
| Other donations | 5,157 | 1,914 | - | 7,071 | 6,096 |
| | <u>1,184,143</u> | <u>(2,710,086)</u> | <u>2,001,627</u> | <u>475,684</u> | <u>1,967,819</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

| | Unrestricted funds £ | Restricted funds £ | 2019/20 Total £ | 2018/19 Total £ |
|---|----------------------------|--------------------------|-----------------------|-----------------------|
| DfE/ESFA revenue grants | | | | |
| General Annual Grant | - | 37,923,353 | 37,923,353 | 27,528,094 |
| Pupil Premium | - | 1,921,745 | 1,921,745 | 1,229,850 |
| Other ESFA income | - | 2,503,208 | 2,503,208 | 706,024 |
| Free School Meals | - | 185,783 | 185,783 | 136,333 |
| | - | 42,534,089 | 42,534,089 | 29,600,301 |
| Other government grants | | | | |
| Local Authority Funding | - | 1,233,905 | 1,233,905 | 784,739 |
| Other Government Grants | - | 54,950 | 54,950 | - |
| | - | 1,288,855 | 1,288,855 | 784,739 |
| Non-government grants and other income | | | | |
| Catering Income | 2,727 | - | 2,727 | 614 |
| School to School Support | - | 21,657 | 21,657 | 25,755 |
| | 2,727 | 21,657 | 24,384 | 26,369 |
| Total grants | 2,727 | 43,844,601 | 43,847,328 | 30,411,409 |

4 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | 2019/20 Total £ | 2018/19 Total £ |
|--------------------|----------------------------|--------------------------|-----------------------|-----------------------|
| Hire of facilities | 126,577 | - | 126,577 | 192,125 |
| Catering income | 3,051 | 12,483 | 15,534 | 29,308 |
| Other sales | 617 | 273,133 | 273,750 | 253,762 |
| | 130,245 | 285,616 | 415,861 | 475,195 |

5 Investment income

| | Unrestricted funds £ | 2019/20 Total £ | 2018/19 Total £ |
|---------------------|----------------------------|-----------------------|-----------------------|
| Short term deposits | 7,475 | 7,475 | 6,793 |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure

| | Staff costs £ | Non Pay Expenditure Premises £ | Other costs £ | 2019/20 Total £ | 2018/19 Total £ |
|---|-------------------|--------------------------------------|------------------|-----------------------|-----------------------|
| Expenditure on raising funds | | | | | |
| Direct costs | - | - | 215,592 | 215,592 | 563,876 |
| Academy's educational operations | | | | | |
| Direct costs | 26,748,418 | - | 1,655,881 | 28,404,299 | 21,842,869 |
| Allocated support costs | 8,405,650 | 8,279,361 | 3,050,703 | 19,735,714 | 13,509,947 |
| | <u>35,154,068</u> | <u>8,279,361</u> | <u>4,922,176</u> | <u>48,355,605</u> | <u>35,916,692</u> |

Net income/(expenditure) for the year includes:

| | 2019/20 £ | 2018/19 £ |
|--|--------------|--------------|
| Operating lease rentals | 129,420 | 154,257 |
| Depreciation | 2,805,078 | 2,548,608 |
| Fees payable to auditor - audit | 20,500 | 18,500 |
| Fees payable to auditor - other services | 7,750 | 9,500 |
| (Gain)/loss on disposal of fixed assets | - | 1,222 |

7 Charitable activities

| | | 2019/20 £ | 2018/19 £ |
|--|--------------------------------|-----------------------|-----------------------|
| Direct costs - educational operations | | 28,404,299 | 21,842,869 |
| Support costs - educational operations | | <u>19,735,714</u> | <u>13,509,947</u> |
| | | <u>48,140,013</u> | <u>35,352,816</u> |
| | Educational operations £ | 2019/20 Total £ | 2018/19 Total £ |
| Analysis of support costs | | | |
| Support staff costs | 8,405,650 | 8,405,650 | 6,001,519 |
| Depreciation | 2,805,079 | 2,805,079 | 2,548,608 |
| Technology costs | 534,366 | 534,366 | 307,243 |
| Premises costs | 5,474,282 | 5,474,282 | 2,790,194 |
| Other support costs | 2,486,438 | 2,486,438 | 1,824,533 |
| Governance costs | <u>29,899</u> | <u>29,899</u> | <u>37,850</u> |
| Total support costs | <u>19,735,714</u> | <u>19,735,714</u> | <u>13,509,947</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff

Staff costs

| | 2019/20 £ | 2018/19 £ |
|--|-------------------|-------------------|
| Staff costs during the year were: | | |
| Wages and salaries | 25,370,133 | 19,789,686 |
| Social security costs | 2,383,614 | 1,848,156 |
| Operating costs of defined benefit pension schemes | <u>7,028,576</u> | <u>4,126,492</u> |
| | 34,782,323 | 25,764,334 |
| Supply staff costs | 354,469 | 413,163 |
| Staff restructuring costs | <u>17,276</u> | <u>56,125</u> |
| | <u>35,154,068</u> | <u>26,233,622</u> |
| | 2020 £ | 2019 £ |

Staff restructuring costs comprise:

| | | |
|---------------------------|---------------|---------------|
| Other restructuring costs | <u>17,276</u> | <u>56,125</u> |
|---------------------------|---------------|---------------|

Staff numbers

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

| | 2019/20 No | 2018/19 No |
|------------------------------|---------------|---------------|
| Charitable Activities | | |
| Teachers | 420 | 359 |
| Administration and support | 501 | 414 |
| Management | <u>59</u> | <u>47</u> |
| | <u>980</u> | <u>820</u> |

Higher paid staff

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

| | 2020 No | 2019 No |
|---------------------|------------|------------|
| £60,001 - £70,000 | 5 | 5 |
| £70,001 - £80,000 | 6 | 3 |
| £80,001 - £90,000 | 4 | 2 |
| £100,001 - £110,000 | 1 | - |
| £110,001 - £120,000 | - | 1 |
| £120,001 - £130,000 | 1 | 1 |
| £130,001 - £140,000 | <u>1</u> | <u>-</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £765,452 (2019: £545,027).

9 Central services

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

- Finance and Human Resource activities
- Estates Management activities
- School Improvement activities

The academy trust charges for these services on the following basis:

- Top slice based on GAG

The actual amounts charged during the year were as follows:

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Cottingham High School & Sixth Form College | 249,396 | 171,612 |
| Croxby Primary School | 65,280 | 58,596 |
| Hessle High School & Sixth Form College and Penshurst Primary | 424,392 | 257,742 |
| Wolfreton School & Sixth Form College | 400,248 | 273,638 |
| Howden School | 192,168 | 286,682 |
| The Holderness Academy | 352,068 | 122,268 |
| Winifred Holtby Academy | 337,788 | - |
| Keyingham Primary | 20,478 | - |
| | <u>2,041,818</u> | <u>1,170,538</u> |

10 Related party transactions - trustees' remuneration and expenses

No trustees' received remuneration or other benefits for the period ended 31 August 2020.

During the year ended 31 August 2020, travel and subsistence expenses totalling £Nil (2019 - £454) were reimbursed or paid directly to 0 trustees (2019 - 1).

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim.

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

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

12 Tangible fixed assets

| | Leasehold land and buildings £ | Computer equipment £ | Motor vehicles £ | Plant and machinery £ | Total £ |
|-------------------------|---|----------------------------|------------------------|-----------------------------|--------------------|
| Cost | | | | | |
| At 1 September 2019 | 140,970,930 | 1,175,107 | 114,607 | 460,691 | 142,721,335 |
| Additions | 46,794 | 385,346 | - | 53,996 | 486,136 |
| Transfers on conversion | 4,649,142 | 77,706 | - | - | 4,726,848 |
| At 31 August 2020 | <u>145,666,866</u> | <u>1,638,159</u> | <u>114,607</u> | <u>514,687</u> | <u>147,934,319</u> |
| Depreciation | | | | | |
| At 1 September 2019 | 4,626,321 | 603,742 | 51,517 | 302,293 | 5,583,873 |
| Charge for the year | 2,405,889 | 263,927 | 23,950 | 111,312 | 2,805,078 |
| At 31 August 2020 | <u>7,032,210</u> | <u>867,669</u> | <u>75,467</u> | <u>413,605</u> | <u>8,388,951</u> |
| Net book value | | | | | |
| At 31 August 2020 | <u>138,634,656</u> | <u>770,490</u> | <u>39,140</u> | <u>101,082</u> | <u>139,545,368</u> |
| At 31 August 2019 | <u>136,344,609</u> | <u>571,365</u> | <u>63,090</u> | <u>158,398</u> | <u>137,137,462</u> |

Included within leasehold land and buildings is £138,634,656 (2019: £136,344,609) relating to long leasehold land and buildings.

13 Debtors

| | 2020 £ | 2019 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 79,223 | 59,186 |
| VAT recoverable | 189,081 | 366,034 |
| Other debtors | 17,372 | 6,531 |
| Prepayments | 587,246 | 287,407 |
| Accrued grant and other income | 451,018 | 405,791 |
| | <u>1,323,940</u> | <u>1,124,949</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

14 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 1,532,888 | 957,136 |
| Other taxation and social security | 595,626 | 464,429 |
| Other creditors | 280,092 | 227,871 |
| Accruals | 587,346 | 571,777 |
| Deferred income | 6,131 | 33,000 |
| Pension scheme creditor | 605,253 | 401,075 |
| | <u>3,607,336</u> | <u>2,655,288</u> |

Included within other creditors are deficits on conversion repayable of £64,313 (2019: £128,628), £12,864 (2019: £12,864) and to be paid over 3 years. Also included are Salix loans of £8,168 (2019: £8,168), £52,580 (2019: £34,611) and £17,220 (2019: £17,220) to be paid over 8 years.

| | 2020 £ | 2019 £ |
|--|-----------------|-----------------|
| Deferred income | | |
| Deferred income at 1 September 2019 | 33,000 | 53,832 |
| Resources deferred in the period | 6,131 | 33,000 |
| Amounts released from previous periods | <u>(33,000)</u> | <u>(53,832)</u> |
| Deferred income at 31 August 2020 | <u>6,131</u> | <u>33,000</u> |

The amounts shown as deferred income relate to trip income.

15 Creditors: amounts falling due after one year

| | 2020 £ | 2019 £ |
|-----------------|----------------|----------------|
| Other creditors | <u>803,580</u> | <u>664,716</u> |

Included within long term creditors are deficits on conversion repayable of £Nil (2019: £64,313) and £10,704 (2019: £23,568) to be paid over 3 years. Also included are Salix loans of £40,844 (2019: £49,010), £233,595 (2019: £269,530), £258,295 (2019: £258,295), £150,000 (2019: £Nil) and £110,142 (2019: £Nil) to be paid over 8 years.

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds

| | As restated Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Gains, losses and transfers £ | Balance at 31 August 2020 £ |
|--|---|----------------------------|----------------------------|-------------------------------------|-----------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant | 486,655 | 37,923,353 | (35,391,648) | (711,739) | 2,306,621 |
| Pupil Premium | - | 1,921,745 | (1,921,745) | - | - |
| Other ESFA grants | - | 2,503,208 | (2,503,208) | - | - |
| Transfer on Conversion Wolfreton High School | (308,701) | - | - | 244,388 | (64,313) |
| Local Authority Funding | - | 1,233,905 | (1,233,905) | - | - |
| Free School Meals | - | 185,783 | (185,783) | - | - |
| Other income | - | 309,187 | (309,187) | - | - |
| Transfer on Conversion Howden School | (39,651) | - | - | 16,083 | (23,568) |
| Other grants | - | 54,950 | (54,950) | - | - |
| | <u>138,303</u> | <u>44,132,131</u> | <u>(41,600,426)</u> | <u>(451,268)</u> | <u>2,218,740</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on Conversion | 103,955,076 | 4,758,484 | (3,272,608) | - | 105,440,952 |
| DfE/ ESFA Capital Grants | 995,187 | 1,451,963 | (74,106) | - | 2,373,044 |
| Transfer from Other Funds | 125,656 | - | (17,791) | 451,268 | 559,133 |
| Capital Fund | <u>32,767,467</u> | <u>-</u> | <u>(971,820)</u> | <u>-</u> | <u>31,795,647</u> |
| | 137,843,386 | 6,210,447 | (4,336,325) | 451,268 | 140,168,776 |
| Restricted pension funds | | | | | |
| Pension Reserve | <u>(10,148,000)</u> | <u>(3,083,000)</u> | <u>(2,084,000)</u> | <u>(1,531,000)</u> | <u>(16,846,000)</u> |
| Total restricted funds | 127,833,689 | 47,259,578 | (48,020,751) | (1,531,000) | 125,541,516 |
| Unrestricted funds | | | | | |
| Unrestricted general funds | <u>719,143</u> | <u>1,418,654</u> | <u>(334,854)</u> | <u>-</u> | <u>1,802,943</u> |
| Total funds | <u><u>128,552,832</u></u> | <u><u>48,678,232</u></u> | <u><u>(48,355,605)</u></u> | <u><u>(1,531,000)</u></u> | <u><u>127,344,459</u></u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

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

| | Balance at 1 September 2018 £ | Incoming resources £ | Resources expended £ | Gains, losses and transfers £ | Balance at 31 August 2019 £ |
|--|--|----------------------------|----------------------------|-------------------------------------|-----------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant | 624,090 | 27,528,094 | (27,539,873) | (125,656) | 486,655 |
| Pupil Premium | - | 1,229,850 | (1,229,850) | - | - |
| Other ESFA grants | 5,940 | 706,024 | (711,964) | - | - |
| Transfer on Conversion Wolfreton High School | (308,701) | - | - | - | (308,701) |
| Local Authority Funding | - | 784,739 | (784,739) | - | - |
| Free School Meals | - | 136,333 | (136,333) | - | - |
| Other income | 162,847 | 314,581 | (477,428) | - | - |
| Transfer on Conversion Howden School | - | (39,651) | - | - | (39,651) |
| | <u>484,176</u> | <u>30,659,970</u> | <u>(30,880,187)</u> | <u>(125,656)</u> | <u>138,303</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on Conversion | 63,819,888 | 42,521,713 | (2,386,525) | - | 103,955,076 |
| DfE/ ESFA Capital Grants | 363,108 | 1,422,991 | (790,912) | - | 995,187 |
| Transfer from Other Funds | 21,909 | - | (21,909) | 125,656 | 125,656 |
| Capital Fund | <u>32,929,550</u> | <u>-</u> | <u>(162,083)</u> | <u>-</u> | <u>32,767,467</u> |
| | 97,134,455 | 43,944,704 | (3,361,429) | 125,656 | 137,843,386 |
| Restricted pension funds | | | | | |
| Pension Reserve | <u>(3,633,000)</u> | <u>(989,000)</u> | <u>(1,111,000)</u> | <u>(4,415,000)</u> | <u>(10,148,000)</u> |
| Total restricted funds | 93,985,631 | 73,615,674 | (35,352,616) | (4,415,000) | 127,833,689 |
| Unrestricted funds | | | | | |
| Unrestricted general funds | <u>490,442</u> | <u>792,777</u> | <u>(564,076)</u> | <u>-</u> | <u>719,143</u> |
| Total funds | <u><u>94,476,073</u></u> | <u><u>74,408,451</u></u> | <u><u>(35,916,692)</u></u> | <u><u>(4,415,000)</u></u> | <u><u>128,552,832</u></u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy. The academy trust was not subject to a limit on GAG carry forward.

Pupil Premium Grant may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. The grant does not have to be completely spent by schools in the financial year.

Devolved capital allocated directly by the DfE must be spent on capital purposes.

Capital expenditure from GAG income is made up of any fixed assets purchased during the year and the expense is the depreciation relating to these additions.

Restricted Pension Funds represents the LGPS pension deficit.

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

| | 2020 £ | 2019 £ |
|---|--------------------|--------------------|
| Cottingham High School & Sixth Form College | 750,711 | 570,603 |
| Croxby Primary School | 211,303 | 135,355 |
| Hessle High School & Sixth Form College and Penshurst Primary | 939,370 | 603,879 |
| Wolfreton School & Sixth Form College | (120,369) | (453,208) |
| Howden School | 392,706 | (14,500) |
| Holderness Academy & Sixth Form College | 575,260 | 93,508 |
| Winifred Holtby Academy | 1,214,617 | - |
| Keyingham Primary | 93,688 | - |
| Central services | (35,603) | (78,191) |
| Total before fixed assets and pension reserve | 4,021,683 | 857,446 |
| Restricted Fixed Asset Fund | 140,168,776 | 137,843,386 |
| Pension Reserve | (16,846,000) | (10,148,000) |
| Total | <u>127,344,459</u> | <u>128,552,832</u> |

Wolfreton School & Sixth Form College is carrying a net deficit of £120,369 on these funds because:

There was a brought forward deficit of £453,208.

The trust is taking the following action to return the academy to surplus:

The Trust is repaying the deficit brought into the Trust on conversion by Wolfreton to the ESFA via reductions in the GAG funding over 36 months. The deficit will be repaid by February 2021. Future budget planning incorporates this and addresses the need for the academy to make a positive contribution to reserves from 2021/22.

Central Services is carrying a net deficit of £35,603 on these funds because:

There was a need to invest in key central roles during the year to ensure the trust has the capacity to develop and provide a quality service to its academies.

The trust is taking the following action to return Central Services to surplus:

Future budgeting planning shows Central Services repaying the deficit and returning to surplus by the end of 2022/23.

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

Analysis of academies by cost

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

| | Teaching and Educational Support Staff Costs £ | Other Support Staff Costs £ | Educational Supplies £ | Other Costs (excluding Depreciation) £ | Total 2020 £ | Total 2019 £ |
|--|--|--------------------------------------|------------------------------|---|--------------------|--------------------|
| Cottingham High School & Sixth Form College | 3,250,764 | 740,607 | 106,444 | 1,546,732 | 5,644,547 | 5,175,309 |
| Croxby Primary School | 921,141 | 183,128 | 9,574 | 228,663 | 1,342,506 | 1,344,608 |
| Hessle High School & Sixth Form College and Penshurst Primary | 5,534,729 | 909,777 | 261,811 | 596,938 | 7,303,255 | 7,763,106 |
| Wolfreton School & Sixth Form College | 4,981,874 | 951,918 | 107,841 | 1,423,132 | 7,464,765 | 7,500,834 |
| Howden School | 2,268,910 | 581,686 | 33,405 | 742,057 | 3,626,058 | 3,577,099 |
| Holderness Academy & Sixth Form College | 4,328,625 | 1,057,738 | 130,723 | 1,101,522 | 6,618,608 | 6,715,274 |
| Winifred Holtby Academy | 4,589,032 | 1,116,140 | 126,236 | 3,457,050 | 9,288,458 | - |
| Keyingham Primary | 382,092 | 94,027 | 9,788 | 93,581 | 579,488 | - |
| Central services | 491,251 | 951,629 | - | 1,488,135 | 2,931,015 | 1,512,750 |
| Academy Trust | <u>26,748,418</u> | <u>6,586,650</u> | <u>785,822</u> | <u>10,677,810</u> | <u>44,798,700</u> | <u>33,588,980</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

| | Unrestricted funds £ | Restricted general funds £ | Restricted fixed asset funds £ | Total funds £ |
|--------------------------|----------------------------|----------------------------------|---|--------------------|
| Tangible fixed assets | - | - | 139,545,368 | 139,545,368 |
| Current assets | 1,802,943 | 5,775,459 | 1,477,605 | 9,056,007 |
| Current liabilities | - | (3,546,010) | (61,326) | (3,607,336) |
| Creditors over 1 year | - | (10,709) | (792,871) | (803,580) |
| Pension scheme liability | - | (16,846,000) | - | (16,846,000) |
| Total net assets | <u>1,802,943</u> | <u>(14,627,260)</u> | <u>140,168,776</u> | <u>127,344,459</u> |

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

| | Unrestricted funds £ | Restricted general funds £ | Restricted fixed asset funds £ | As restated Total funds £ |
|--------------------------|----------------------------|----------------------------------|---|---------------------------------|
| Tangible fixed assets | - | - | 137,137,462 | 137,137,462 |
| Current assets | 719,143 | 2,821,472 | 1,342,759 | 4,883,374 |
| Current liabilities | - | (2,595,289) | (59,999) | (2,655,288) |
| Creditors over 1 year | - | (87,880) | (576,836) | (664,716) |
| Pension scheme liability | - | (10,148,000) | - | (10,148,000) |
| Total net assets | <u>719,143</u> | <u>(10,009,697)</u> | <u>137,843,386</u> | <u>128,552,832</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

18 Commitments under operating leases

Operating leases

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

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Amounts due within one year | 114,055 | 134,396 |
| Amounts due between one and five years | 20,374 | 104,328 |
| | <u>134,429</u> | <u>238,724</u> |

Private finance initiative commitments

In relation to the private finance initiative (PFI) Winifred Holtby Academy Trust is committed to making the following payments to Kingston Upon Hull City Council over the remaining term of the PFI agreement (assuming an annual increase of 1.03%):

| | 2020 £ | 2019 £ |
|--|-------------------|-------------------|
| Amounts due within one year | 1,781,193 | 1,763,034 |
| Amounts due between one and five years | 7,310,136 | 7,235,609 |
| Amounts due after five years | 21,718,771 | 23,574,491 |
| | <u>30,810,100</u> | <u>32,573,134</u> |

As provided in the Accounting Policies Winifred Holtby Academy receive funding from the ESFA to cover around £1.2 million per annum of the above commitment.

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

19 Reconciliation of net income to net cash inflow/(outflow) from operating activities

| | 2019/20 | 2018/19 |
|--|------------------|----------------|
| | £ | £ |
| Net income | 322,627 | 38,491,759 |
| Depreciation | 2,805,078 | 2,548,608 |
| Capital grants from DfE and other capital income | (1,441,963) | (1,422,991) |
| Interest receivable | (7,475) | (6,793) |
| Defined benefit pension scheme obligation inherited | 3,083,000 | 989,000 |
| Defined benefit pension scheme cost less contributions payable | 1,819,000 | 970,000 |
| Defined benefit pension scheme finance cost | 265,000 | 141,000 |
| (Increase)/decrease in debtors | (198,991) | 14,699 |
| Increase in creditors | 998,394 | 961,081 |
| Loss on disposal of tangible fixed assets | - | 1,222 |
| Cash transferred on conversion to an academy trust | 112,884 | 437,591 |
| Fixed assets transferred on conversion | (4,726,848) | (42,375,000) |
| Net cash provided by Operating Activities | <u>3,030,706</u> | <u>750,176</u> |

20 Cash flows from financing activities

| | 2019/20 | 2018/19 |
|---|----------------|----------------|
| | £ | £ |
| Repayments of borrowing | (167,624) | (163,901) |
| Cash inflows from new borrowing | <u>260,142</u> | <u>367,680</u> |
| Net cash provided by financing activities | <u>92,518</u> | <u>203,779</u> |

21 Cash flows from investing activities

| | 2019/20 | 2018/19 |
|---|------------------|------------------|
| | £ | £ |
| Dividends, interest and rents from investments | 7,475 | 6,793 |
| Purchase of tangible fixed assets | (486,136) | (527,909) |
| Capital funding received from sponsors and others | <u>1,441,963</u> | <u>1,422,991</u> |
| Net cash provided by investing activities | <u>963,302</u> | <u>901,875</u> |

22 Analysis of cash and cash equivalents

| | 2020 | 2019 |
|---------------------------------|------------------|------------------|
| | £ | £ |
| Cash at bank and in hand | <u>7,732,067</u> | <u>3,758,425</u> |
| Total cash and cash equivalents | <u>7,732,067</u> | <u>3,758,425</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Analysis of changes in net debt

| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ |
|--|--------------------------------|------------------|---------------------------|
| Cash | 3,758,425 | 3,973,642 | 7,732,067 |
| Loans falling due within one year | (201,491) | 46,346 | (155,145) |
| Loans falling due after more than one year | (664,716) | (138,864) | (803,580) |
| | <u>(866,207)</u> | <u>(92,518)</u> | <u>(958,725)</u> |
| Total | <u>2,892,218</u> | <u>3,881,124</u> | <u>6,773,342</u> |

24 Members' liability

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

25 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by East Riding Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £605,253 (2019: £401,075) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving 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 CPL. Assumed real rate of return is 2.4% 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 4.5%.

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

The employer's pension costs paid to TPS in the period amounted to £4,004,693 (2019: £2,272,640).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,569,000 (2019 - £1,183,000), of which employer's contributions totalled £1,193,000 (2019 - £887,000) and employees' contributions totalled £376,000 (2019 - £296,000). The agreed contribution rates for future years are 17.8-20.1 per cent for employers and 5-7 per cent for employees.

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

Principal actuarial assumptions

| | 2020 % | 2019 % |
|--|-------------|-------------|
| Rate of increase in salaries | 3.10 | 2.50 |
| Rate of increase for pensions in payment/inflation | 2.20 | 2.30 |
| Discount rate for scheme liabilities | <u>1.70</u> | <u>1.90</u> |

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

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

| | 2020 | 2019 |
|--|---------------------|---------------------|
| Retiring today | | |
| Males retiring today | 20.90 | 20.80 |
| Females retiring today | 23.30 | 23.30 |
| Retiring in 20 years | | |
| Males retiring in 20 years | 21.80 | 22.00 |
| Females retiring in 20 years | <u>24.80</u> | <u>24.90</u> |
| Sensitivity analysis | | |
| | 2020 | 2019 |
| | £ | £ |
| 0.5% decrease in real discount rate | 4,992,000.00 | 3,965,000.00 |
| Mortality assumption – 1 year increase | 1,495,760.00 | 1,088,000.00 |
| 0.5% increase in salary increase rate | 453,000.00 | 732,000.00 |
| 0.5% increase in the pension increase rate | <u>4,453,000.00</u> | <u>3,147,000.00</u> |

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

| | 2020 | 2019 |
|------------------------------|-------------------|-------------------|
| | £ | £ |
| Equities | 13,561,680 | 12,106,000 |
| Corporate bonds | 3,287,680 | 2,558,000 |
| Property | 2,465,760 | 1,876,000 |
| Cash and other liquid assets | <u>1,232,880</u> | <u>511,000</u> |
| Total market value of assets | <u>20,548,000</u> | <u>17,051,000</u> |

The actual return on scheme assets was (£1,537,000) (2019 - £696,000).

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

| | 2019/20 £ | 2018/19 £ |
|-------------------------------------|------------------|------------------|
| Current service cost | 3,012,000 | 1,787,000 |
| Past service cost | - | 70,000 |
| Interest income | (405,000) | (438,000) |
| Interest cost | 670,000 | 579,000 |
| Total amount recognised in the SOFA | <u>3,277,000</u> | <u>1,998,000</u> |

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

| | 2019/20 £ | 2018/19 £ |
|--|-------------------|-------------------|
| At start of period | 27,199,000 | 15,522,000 |
| Transferred in on existing academies joining the trust | 6,877,000 | 4,272,000 |
| Current service cost | 3,012,000 | 1,787,000 |
| Interest cost | 670,000 | 579,000 |
| Employee contributions | 376,000 | 296,000 |
| Actuarial (gain)/loss | (411,000) | 4,673,000 |
| Benefits paid | (329,000) | - |
| Past service cost | - | 70,000 |
| At 31 August | <u>37,394,000</u> | <u>27,199,000</u> |

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

| | 2019/20 £ | 2018/19 £ |
|--|-------------------|-------------------|
| At start of period | 17,051,000 | 11,889,000 |
| Transferred in on existing academies joining the trust | 3,794,000 | 3,283,000 |
| Interest income | 405,000 | 438,000 |
| Actuarial gain/(loss) | (1,942,000) | 258,000 |
| Employer contributions | 1,193,000 | 887,000 |
| Employee contributions | 376,000 | 296,000 |
| Benefits paid | (329,000) | - |
| At 31 August | <u>20,548,000</u> | <u>17,051,000</u> |

26 Related party transactions

Expenditure related party transactions

During the year the academy made the following related party transactions:

H Hogan

H Hogan, spouse of P Hogan, Trustee, is employed by the academy trust. H Hogan's appointment was made in open competition and P Hogan was not involved in the decision making process regarding appointment. H Hogan is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the trustee.

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

At the balance sheet date the amount due to H Hogan was £Nil (2019 - £Nil).

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy trust received £52,827 and disbursed £1,779 from the fund. An amount of £64,667 is included in other creditors relating to undistributed funds that will be used for students in 2019/20.

28 Transfer of existing academies into the Trust

Winifred Holtby Academy Trust

| | Value reported by transferring academy trust £ | Transfer in recognised £ |
|---------------------------------------|--|--------------------------------|
| Tangible fixed assets | | |
| Leasehold improvements | 459,142 | 459,142 |
| Furniture and equipment | 149 | 149 |
| Computer equipment | 77,558 | 77,558 |
| | <u>536,849</u> | <u>536,849</u> |
| Other assets | | |
| Debtors due in less than one year | 516,489 | 516,489 |
| Cash in bank and in hand | 1,699,126 | 1,699,126 |
| | <u>2,215,615</u> | <u>2,215,615</u> |
| Liabilities | | |
| Creditors due in less than one year | (1,200,420) | (1,200,420) |
| Pensions | | |
| Pensions – pension scheme liabilities | <u>(2,712,000)</u> | <u>(2,712,000)</u> |
| Net liabilities | <u>(1,159,956)</u> | <u>(1,159,956)</u> |

The Consortium Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

29 Conversion to an academy trust

On 1 March 2020 the Keyingham Primary converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Consortium Academy Trust from the East Riding Yorkshire Council Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities and an analysis of their recognition in the SOFA.

| | Unrestricted fund £ | Restricted general fund £ | Restricted fixed asset fund £ | Total £ |
|--------------------------------|---------------------------|---------------------------------|--|------------------|
| Leasehold land and buildings | - | - | 4,190,000 | 4,190,000 |
| On LA funds | 94,064 | - | 18,820 | 112,884 |
| LGPS pension surplus/(deficit) | - | - | (371,000) | (371,000) |
| Net assets | <u>94,064</u> | <u>-</u> | <u>3,837,820</u> | <u>3,931,884</u> |

The above net assets include £112,884 that were transferred as cash.