

PolyMAT

**Annual Report and Financial
Statements**

31 August 2020

Company Limited by Guarantee
Registration Number
09078530 (England and Wales)

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Reference and administrative information

Members	Patricia Freel Robert Janes Sylvia Perrins Lucy Webb Lynn Wainwright
Directors (Trustees)	Robert Janes (Chair until 13/12/2020) Sylvia Perrins (Chair from 14/12/2020 & Chair of Finance Committee) Timothy Plumb (CEO and Accounting Officer) Traci Jenkins Tracy Russell Samuel Fitzpatrick Rebecca Lewis Sue Wood (from 1/11/20)
Company Secretary	Alexa Rendell
Governors of Woolwich Polytechnic School for Boys (WPSfB) and Girls (WPSfG)	Sarabjit Bahra (Chair of Governors) Sulayman Bah (Parent governor) Robert Janes (Community governor) (Until 6/7/20) Sylvia Perrins (Community governor) (Until 6/7/20) Timothy Plumb (Head Teacher WPSfB) (Until 6/7/20) Subreena Kazmi (Head Teacher WPSfG) Julia Richardson (Community governor) (Until 6/7/20) Jane Woods (Staff governor) Jack Davies (Staff governor) Susan Ikpefuran (Community governor) Ellen Halsted (Community governor) Tunde Odutola (Community governor) Sophie Taylor (Community governor)
Senior Management - Executive of the Trust	All governors were appointed on 16 September 2019.
Co-CEO	T Plumb
Co-CEO	B Parker (Until 31/8/20)
Chief Operations Officer	A Rendell
Registered address	Woolwich Polytechnic School Hutchins Road Thamesmead London SE28 8AT

Reference and administrative information

Telephone	020 8310 7000
Website	www.woolwichpoly.greenwich.sch.uk
Company registration number	09078530 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds Bank 130 The Broadway Bexleyheath Kent DA6 7DP
Solicitors	Judicium 72 Cannon Street London EC4N 6AE

Statement on regularity, propriety and compliance Year to 31 August 2020

The Trustees of PolyMAT ('the Academy Trust') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 31 to 36 of the attached financial statements and comply with the Trust's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

The trust operates two academies, Woolwich Polytechnic School for Boys (WPSfB) and Woolwich Polytechnic School for Girls (WPSfG). WPSfB is for boys aged 11-16 and co-educational aged 16-18 and WPSfG is for girls aged 11-16. Both academies serve a catchment area of Woolwich, Thamesmead, Plumstead and the nearby surrounding areas. The academies have a combined pupil capacity of 2,700 when full and had a roll of 2026 in the October school census 2020. It should be noted that WPSfG opened in September 2019 with one year group (240 students).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The trustees of PolyMAT are also directors of the charitable company for the purpose of company law. The charitable company operates as PolyMAT.

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

On 1 August 2014, Woolwich Polytechnic School for Boys converted to Academy Trust status under the Academies Act 2010 and all operations and assets and liabilities were transferred to PolyMAT from Royal Borough of Greenwich for £nil consideration.

A second school, Woolwich Polytechnic School for Girls, was added to the Trust on the 1 September 2019. There are currently 470 students in the school, across Years 7 and 8.

Members' liability

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' indemnities

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

Trustees

The Articles of Association require the appointment of at least three Trustees (unless otherwise determined by ordinary resolution). The articles furthermore specify that the Trust shall have the following Trustees:

- ◆ up to 9 Trustees appointed by ordinary resolution by the Members;
- ◆ a minimum of 2 parent Trustees unless there are local governing bodies that include at least two parent members.

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006. The following Trustees were in office at 31 August 2020 and served throughout the period except where shown. Three directors were the original members at incorporation of the company, another four Trustees were added on the conversion to an Academy Trust. All subsequent appointments have since resigned from the board.

Trustee	Appointed	Appointing Method
Robert Janes (Chair)	10 June 2014	Member resolution
Sylvia Perrins	10 June 2014	Member resolution
Byron Parker	15 September 2014	Co-Chief Executive Officer (until 31/08/20)
Tim Plumb	15 September 2014	Co-Chief Executive Officer
Traci Jenkins	1 October 2018	Member resolution
Tracy Russell	1 July 2019	Member resolution
Samuel Fitzpatrick	1 July 2019	Member resolution
Rebecca Lewis	1 July 2019	Member resolution

The Trustees delegate a number of functions to the Local Governing Board. The composition of the Local Governing Board is outlined on page 1.

Induction and Training of Governors and Trustees

The training and induction provided for new Trustees and governors depends on their existing experience and skills. The Academy Trust purchases a comprehensive programme of training from the Royal Borough of Greenwich and Judicium. Trustees and governors can choose from a range of courses from a basic introduction to more specific training on charity, educational, legal and financial matters. All governors and Trustees are required to complete Keeping Children Safe in Education and Safer Recruitment training.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The Board of Trustees is responsible for strategic management and direction of the Academy Trust, it is responsible for setting general policy, adopting an annual plan and budget, monitoring of the governing board and making major decisions in relation to strategic plans, capital expenditure and senior staff appointments.

The Local Governing Board is responsible for setting detailed policy and plans relating to the learning and achievement of both schools. The responsibility for the day to day management and operation of both schools is delegated to the Chief Executive Officers. In line with sector-wide best practice, from 1 September 2020, the Trust now operates a single Chief Executive Officer (Tim Plumb) supported by the Chief Operations Officer (Alexa Rendell). The Trust has made changes to its governance and executive structure to ensure best practice. This now means that there is a single executive leader and a governance structure with good separation of powers. The Trust recognises that excellent governance and leadership are central to its effectiveness and is committed to further strengthening the governance and executive leadership in the coming years.

Arrangements for setting pay and remuneration of key management personnel

The Pay Committee is made up of a minimum of two trustees. In the case of appeals, the Pay Appeals Committee consists of three trustees. The Pay Committee meets according to the Terms of Reference outlined in the MAT's Pay Policy. The Pay Committee sets key management personnel a set of performance targets which will be reviewed annually and remuneration agreed based on performance relative to the targets. The Pay Committee sets pay according to the MAT's Pay Policy.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
2	0.15 FTE

Percentage of time spent on facility time

Percentage of time	Number of employees
1% - 50%	2

Percentage of pay bill spent on facility time

Total cost of facility time	£6,657.30
Total pay bill	£10,588,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.063%

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time (continued)

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	0.5 days for 39 weeks
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0.5 days for 39 weeks £114.70 x 39 = £4,473.30
	0.5 days for 39 weeks £56.00 x 39 = £2,184
	Total £6,657.30

Special note on work during the Covid-19 Lockdown

During the Covid-19 school closure period, between March and August, a huge amount of effort was put in by leaders and employees throughout the Trust to ensure that physical and emotional safety were protected at all times. Both schools in the Trust remained open for Key Worker and Vulnerable students throughout the entire lockdown period including all holidays up until the Summer. All remaining students were taught via Virtual Schooling which was very quickly brought up to speed through a major investment in technology and training. Alongside the DfE scheme to support online learning, the Trust invested heavily in laptops and dongles to ensure that all students had access to online provision and that all staff could work remotely.

During the lockdown period, all employees were contacted by phone repeatedly to check on their welfare and how they were coping with being isolated at home. Every member of staff was phoned by their line-leader, by a member of the leadership team and, at least once, by the Head Teachers directly.

Staff in both schools were kept highly informed of priorities by the Headteachers and leadership teams. The Head Teacher of the boys' school sent out a weekly briefing email every Friday morning and the Head Teacher of the girls' school ran a weekly briefing meeting on Teams to update staff and allay any concerns.

There were extensive and on-going Risk Assessments to manage each stage of the lockdown period. Staff members with a disability were given a separate risk assessment in order to assess their safety to work in the Hub school or to remain at home and work virtually. Well-being and safety were the drivers of our work and there was very close collaboration between the Trust, the trade unions, staff and parents. This resulted in successful transitions each time that there was a change of requirements during the lockdown.

The Trust puts its staff at the heart of everything it does. Regular, termly meetings are held with the Union Representatives. This collaboration has meant that staff and Union views are discussed and implemented, where appropriate.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Related Parties and other connected charities and organisations

Both schools within the Trust are members of Pixl (Partners in Excellence) and also work closely with the Greenwich Family of schools and local businesses including Peabody. Any interests of individuals within PolyMAT are kept on the Academy Trust's record of interests.

OBJECTIVES AND ACTIVITIES

PolyMAT wants to be the trust that makes the most significant contribution to the families in our communities – now and in the future – by delivering a quality education for young people that unlocks economic, social and cultural prosperity for the next generation. This will be our legacy. Our principles reflect the highest expectations of staff and the highest of aspirations for all students. PolyMAT is an outward looking organisation, sharing good practice through national initiatives and consistently looks to develop links with other schools. Our motto is “Stronger Together” and The Trust has begun an exciting process of strategic planning in order to embed our belief that all stakeholders benefit when we collaborate within a well-defined common aim. By the end of 2021 we expect to be in a far stronger and more exciting place as a Trust and ready to grow further. The focussed and determined drive on continuous improvement leads to ever-improving standards of teaching and when this is set alongside the holistic approach of the outstanding pastoral team, the result is an environment which promotes outstanding learning and achievement by all students.

2019/20 saw the successful opening of WPSfG and we recognise that collaboration and a shared approach to teaching and learning can only strengthen the trust. The trust has had the additional aim this year of providing all students with outstanding remote learning opportunities whilst the schools were closed to the majority of students.

Students were provided with either a range of on-line lessons or booklets during this time. Both schools provided lap-tops to their most vulnerable students to enable them to access the curriculum. This is now being expanded to cope with the various scenarios of staff and student absence that are possible due to Covid-19. PolyMAT is supporting other schools with their online-learning work and is grateful of the opportunity to expand our support throughout our community.

Objectives, strategies and activities

The Academy Trust has the following four key objectives:

1. To provide all students with first class teaching and learning:

- ◆ Recruitment, retention and deployment of outstanding staff will be achieved through a rigorous selection and interview process. In addition, we are part of Bromley Schools Collegiate which allows us to develop our own trainee teachers;
- ◆ Forensic monitoring of the performance of both our schools and the continual improvement of teaching and learning lies at the heart of our leadership work. High expectations of teaching and learning is achieved through a process of lesson observations and feedback, learning walks and Performance Management reviews;

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

- ◆ Teaching is benchmarked against the Ofsted criteria for Outstanding with an expectation that many teachers exceed that standard;
 - ◆ Ongoing programmes of Continuous Professional Development and induction maintain the culture of high quality teaching and target individual areas of weakness.
2. *To provide a curriculum that maximises achievement, particularly in English, Maths and Science:*
- ◆ The curriculum provides high challenge and broad opportunities to all students. WPSfB has undertaken a thorough review of its curriculum during this year and has returned to a three-year key stage 3. WPSfG has created a similarly exciting curriculum and has implemented it very well in its first year of opening.
 - ◆ The curriculum is individually targeted to students depending on their need.
 - ◆ Emphasis is placed on English and Maths throughout both schools to ensure all students achieve at least a standard or preferably a strong pass at GCSE and are able to progress to A Level study in the Sixth Form; and
 - ◆ The curriculum is responsive and flexible to the demands of society and the economy so that all students meet the requirements to progress to Higher Education.
3. *To provide an outstanding pastoral system that underpins students' achievements and their development as confident and ambitious members of society:*
- ◆ This is achieved through highly skilled Heads of Year and their tutor teams who are dedicated to supporting the pastoral and academic welfare of their students within a strongly defined culture in each school.
 - ◆ Sustained promotion of equality of opportunity and self-esteem;
 - ◆ The pastoral team forge close links between parents, pupils and tutors to ensure that students understand the importance of good manners, excellent behaviour, respect and academic achievement;
 - ◆ British Values are reinforced at all opportunities and form the framework for behaviour and expectations; and
 - ◆ Pastoral care is anchored in a celebration of achievements in both schools. This celebratory ethos inspires students to reach their potential by praising and rewarding their success.
4. *To ensure all students to make good or better levels of progress:*
- ◆ Forensic investigation and tracking of all data for all students;
 - ◆ Rigorous monitoring of all groups; and raising attainment and progress (RAP) meetings for all year groups.

OBJECTIVES AND ACTIVITIES (continued)

Public Benefit

In setting the Academy Trust's objectives and planning its activities, the Board of Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees consider that the charitable company's aims are demonstrably to the public benefit.

Equal opportunities policy

The aims and ethos of the Academy Trust supports the development of self-respect and self-esteem in all pupils, staff and the community it serves. We place a high value on diversity and treat every student as an individual. In this respect, we aim to meet the needs of all, taking account of gender, ethnicity, culture, religion, language, sexual orientation, age, ability, disability and social circumstances.

All staff are aware of the need for the curriculum to reflect cultural diversity and of the need to prepare pupils for life in a pluralist society. PolyMAT is opposed to all forms of prejudice and discrimination.

Our policy endorses the three principles of inclusion in the National Curriculum:

- ◆ setting suitable learning challenges;
- ◆ responding to pupils' diverse learning needs;
- ◆ overcoming potential barriers to learning and assessment for individuals and groups of pupils.

Employee involvement and development

The Academy Trust recognises that its employees are its most important asset and as such places a strong emphasis on staff involvement and development. There are weekly whole school staff briefings and individual departmental/team meetings in each school. This engagement continued remotely through lockdown where the Trust managed to maintain safety, engagement and a sense of "togetherness" throughout this incredibly difficult period for the country. This led to the Trust re-opening its schools for all students in September with an even greater level of staff engagement and motivation than previously – an achievement of which we are very proud. The work-ethic of leaders throughout the Trust was tremendous and the sense of positivity and commitment to maximising the progress of our students under such great pressure was a source of much pride. A team approach was taken to target support to individual pupils through RAP meetings and this continued virtually, thus enabling colleagues to learn from each other's experiences to develop strategies to raise achievement.

Performance reviews are undertaken for both teaching and support staff to help support their career development. As part of this process individual developmental needs are identified and these inform a school wide Continual Professional Development (CPD) programme within each school including school training days, external courses, mini-bite sessions and mentoring. For the coming year, best CPD practice is being shared across the Trust.

OBJECTIVES AND ACTIVITIES (continued)

Employee involvement and development (continued)

Retention of staff has been extremely high this year which is a strong reflection of the importance placed on staff welfare by the Academy Trust. Despite the challenging times of lockdown, both schools began September 2020 fully staffed and fully enrolled.

STRATEGIC REPORT

Achievements and performance

Due to Covid, exams did not take place and therefore GCSE results are based on predictions and assessments. Our students and staff were extremely disappointed that they were denied the opportunity to substantiate their potential but our dedicated staff have worked tirelessly with them through this period and encouraged them to move forward and concentrate on their sixth form studies. At WPSfB, progression to University and Apprenticeships was as strong as in any previous year, showing that the levels of IAG were extremely strong despite the lockdown period.

At Key Stage 4 at WPSfB:

- ◆ 75% of pupils achieved grade 4+ in both Mathematics and English GCSEs.
- ◆ 58% of pupils achieved a strong pass (Grade 5+) in both Mathematics and English GCSEs.

At Key Stage 5 at WPSfB:

- ◆ 72% of pupils achieved A*-B grades in A Levels or Level 3 BTEC qualifications
- ◆ 100% of pupils achieved A*-E grades in A Levels or Level 3 BTEC qualifications

WPSfG did not enter any students for GCSE exams in 2020.

PolyMAT's consistently high-quality outcomes have been achieved by a never-wavering focus on school improvement. Our approach is data driven and student-focussed. At the heart of our practice is the following:

- ◆ A Raising Standards Leader (RSL) is appointed with the main purpose to raise achievement for the year group or whole school.
- ◆ The RSL works with the Data Managers to produce priorities where key students are defined.
- ◆ The RSL leads the raising standards strategy and works closely with the Head of Year and other senior leaders to ensure that resources are allocated to priorities each week.

PolyMAT is committed to enabling all our students to enjoy learning, become independent learners and well-rounded young people through the provision of an exciting and stimulating curriculum which extends beyond their timetabled lessons. We aim to ensure that students exceed their expectations through a broad and balanced curriculum provision.

STRATEGIC REPORT (continued)

Financial review

Financial report for the year

The financial position of the Academy Trust at 31 August 2020 is shown in the financial statements on pages 27 to 56 and the accompanying notes. Most of the Academy Trust's income is received from the Education and Skills Funding Agency in the form of recurrent grants for the provision of education. These grants and the associated expenditure are shown as restricted funds in the consolidated statement of financial activities.

During the year, a surplus of £32,000 (2019 – £213,000) was achieved on the unrestricted general fund before transfers and a surplus of £388,000 (2019 – deficit of £500,000) on the restricted general fund before transfers. After transfers between funds and the actuarial loss on the defined benefit pension scheme the unrestricted general fund shows a carried forward surplus of £505,000 (2019 – £473,000) and the restricted general fund a deficit of £4,746,000 (2019 – £4,225,000). A further £52,217,000 (2019 – £27,897,000) is held within the restricted fixed asset funds.

The majority of the Academy Trust's income for the year to 31 August 2020 was obtained from the ESFA in the form of a general annual grant and other grants. This income totalled £11,721,000 (2019 – £9,664,000) and represents 84.3% (2019 – 84.1%) of the total income received in the year (excluding the donated asset on conversion). Expenditure includes £14,360,000 (2019 – £11,844,000) on the School's educational operations.

The Academy Trust has also been successful in bidding for Condition Improvement Fund grants to finance capital works. This year, two bids have been successful in WPSfB, replacement boilers which were over twenty years old, and secondly full replacement windows to the entire main building. The original windows from the 1970s were draughty and subject to water ingress. Works were delayed due to Covid restrictions but are now progressing well. WPSfG was not subject to any CIF bids this year due to the building being brand new. Total funding of £1,286,719 (2019 – £828,895) was approved during the year ending 31 August 2020. In accordance with the Charities Statement of Recommended Practice these grants are shown in the statement of financial activities as restricted income in the fixed asset fund. These funds provide the necessary cash flow for the works and depreciation charges will be made against these funds over the expected useful life of the asset.

One of the Academy Trusts key objectives is to maintain staffing levels during a period of instability and shortages across the teaching profession. The trust is committed to using a high percentage of its resources to secure outstanding teaching and learning in the classroom. This percentage currently stands at 81%, of which 19% accounts for Associate staff costs.

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STRATEGIC REPORT (continued)

Financial review (continued)

Financial report for the year (continued)

The Academy Trust continues to update its IT infrastructure. This is especially relevant during the pandemic where demands for remote working have increased significantly. To help with this, the Trust has re-structured its IT Support Teams which now operate as a Trust Central Service, delivering to both our schools.

Financial and risk management objectives and policies

The Academy Trust recognises the need to identify risks that may impact on its ability to deliver an outstanding education in each of its schools and to mitigate against these risks.

The Academy Trust has identified the following financial risks:

1. Uncertainty in the current economic climate and the associated risk to education funding going forward. The Academy Trust has little control over this risk but in order to minimise the impact of such risks, medium term budget forecasts are prepared and the budget is continually reviewed, examining the efficiency and effectiveness of the trust.
2. The Academy Trust manages its cash-flow to ensure that it has sufficient working capital to meet all of its operating needs without the use of short-term borrowing. Surplus cash is invested in short-term, low risk bonds that yield higher interest rates. As nearly all funding comes from central government credit risk is negligible and funding is received in advance of expected expenditure.
3. The burden of additional expenditure required in schools due to the Covid pandemic. This expenditure has ranged from portable wash stations through to the purchase of a fogging machine. The need to quickly divert funds during the lockdown and pre-opening periods was a major challenge for the Trust but one that we overcame. However, the risks going forward remain considerable as each school faces the potential for students and staff to be absent due to self-isolation or illness. Our main priority is to keep staff and students as safe as possible during these difficult times and we recognise that there will be costs associated with this.

Reserves policy

The Trustees have determined that the target level of reserves not invested in tangible fixed assets or designated for specific projects should be between 3%-5% of General Annual Grant. The policy will be kept under review especially during this period of expansion by the Academy Trust with a view to possibly increasing this to level of one month's payroll.

WPSfB is currently contributing acceptable levels to the Trust's reserves. WPSfG will build reserves on a yearly basis so that it contributes an amount to the Trust's reserves which is also between 3-5% of GAG. They have contributed £146,000 at the end of year one.

STRATEGIC REPORT (continued)

Financial review (continued)

Reserves policy (continued)

At 31 August 2020, unrestricted reserves stood at £505,000 (2019 – £473,000) which is in line with the policy stated above. There is a deficit of £4,747,000 (2019 – £4,225,000) on the restricted general fund, of which £4,883,000 (2019 – £4,247,000) relates to the Local Government Pension Scheme liability. This deficit represents the expected cost, in today's money, of paying for the Academy's obligation under this pension scheme. It is a long-term liability, and so does not directly impact the Academy's day to day cash requirements.

Going concern

At 31 August 2020 the Academy Trust had net current assets of £1,005,000 (2019 – £479,000). After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it considers that the going concern basis of preparing the financial statements is appropriate.

Investment policy

Surplus income is invested in a rolling programme of short term, low risk bonds with a maximum investment of £450,000 (2019 – £450,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees are responsible for identifying risks faced by the Academy Trust, assessing the likelihood of the risk occurring and its potential impact, and taking steps to mitigate and control these risks, and ensuring that employees are aware of any risk management procedures and of the implications of failing to implement them. They are satisfied that these procedures are consistent with guidelines issued by the Charity Commission.

The risks identified are recorded in the Academy Trust's Risk Register which is reviewed at every meeting of the Audit Committee. Risks are classified as strategic, financial or operational. The most significant, high impact risks are:

- ◆ Loss of funding and financial instability caused by short term national budget setting and formulae changes; this risk is mitigated by weekly finance meetings with the Head Teachers and regular effectiveness and efficiency meetings where potential savings are highlighted and discussed.
- ◆ Failure in governance; this risk is mitigated by regular governor and trustee meetings which cover Learning & Achievement, Premises and Finance and Personnel. Trustees and governors comply with the Academies Financial Handbook and are currently working towards the Governor Mark Award. The Trust has recently revised its governance structure to give greater stability and separation of powers. Further restructuring is planned for the coming year and we enter 2020/21 with a much stronger governance and leadership position which reflects best-practice in MAT Structure. This includes there being confident separation of powers through the governance structure and a clearly-defined Executive Team including a single CEO and a COO.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- ◆ Failure to adequately safeguard pupils in school; this risk is mitigated by regular staff safeguarding training, all staff reading and understanding the Keeping Children Safe in Education documentation and having access to their school's safeguarding data management software. All staff have the duty to report any concerns to the designated safeguarding lead (DSL).

- ◆ Failure to produce desired educational outcomes; this risk is mitigated by forensic monitoring of student performance, data tracking and additional support for students in the classroom.

All of these risks are currently classified as being adequately controlled.

FUNDRAISING

The Academy Trust has not engaged in any fundraising activities in the current year. There is now a parents/teacher association (PTA) in WPSFB that carries out fundraising on behalf of students through fayres and raffles. This PTA has not engaged in any fund raising activities this year due to Covid-19 restrictions.

PLANS FOR FUTURE PERIODS

The Trust is committed to expanding during the coming two years, with the addition of another school. The Trust is happy to consider a primary, a 6th form college or another secondary school. WPSfG is now in its second year and the partnership between our two schools is now forming a central base around which the Trust is developing its vision and key principles. This partnership will provide the model for success which we hope will appeal to other schools wanting to work with us and join us formally.

AUDITOR

In so far as the Trustees are aware:

- ◆ there is no relevant audit information of which the charitable company's auditor is unaware; and

- ◆ the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' report, incorporating a strategic report, approved by order of the members of the board of Trustees on 14 December 2020 and signed on its behalf by:

Sylvia Perrins



Chair of Trustees

Scope of responsibility

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

The board of Trustees have delegated the day-to-day responsibility to the CEO, Tim Plumb, 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 Academy Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

As trustees, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance and we have made considerable progress in increasing the effectiveness of our governance structure.

Having reviewed and amended the Articles of Association, PolyMAT has undertaken a complete review of its governance structure as part of an on-going focus on effective governance. The Executive Leadership and Governance Structure have been reviewed and there is more defined segregation of roles and powers as a result. Terms of reference have been reviewed and updated for each committee and these have all been approved. The governance structure is now fit-for-purpose for a Multi-School Model as PolyMAT and is ready for further expansion of The Trust. There is now very good separation of powers and a well-defined Executive structure with a single CEO and COO. Only one employee now sits on the Trust Board (the CEO) as of 1 September 2020. Further developments are planned for the coming year based around an audit of governance skills.

The Academy Trust works in close collaboration with its governors through school visits, training sessions and committee meetings. The Academy Trust continues to ensure that all members, trustees and governors have the necessary skills to:

- ◆ Ensure the quality of the education in the Academy Trust;
- ◆ Challenge and monitor the performance of the Academy Trust;
- ◆ Ensure good financial management and probity across the schools; and
- ◆ Support and provide challenge to the leadership.

Ultimately, all those involved in governance should have a clear understanding of all aspects of their role and how to effectively hold each school to account.

Statement on regularity, propriety and compliance Year to 31 August 2020

Board of Trustees

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The board of Trustees has formally met 13 times this year (4 full Trust Board, 6 Finance & Personnel, 3 Audit Committee). Attendance during the period at meetings of the Full Trust Board is shown below. Attendance at the Finance & Personnel Committee and the Audit Committee are shown later. As some Trustees were appointed at different times during this period, higher attendance was possible for some than for others.

Full Trust Board meetings attendance

Trustees	Meetings attended	Out of a possible
Robert Janes (Chair)	4	4
Sylvia Perrins	4	4
Byron Parker	4	4
Timothy Plumb	4	4
Traci Jenkins	4	4
Tracy Russell (appointed 01/07/2019)	4	4
Samuel Fitzpatrick (appointed 01/07/2019)	4	4
Rebecca Lewis (appointed 01/07/2019)	4	4

The Finance and Personnel Committee

This committee is currently a sub-committee of the main board of Trustees. Its main purpose is to:

- ◆ Provide oversight of the day-to-day operation of the Academy Trust's Finances, with due regard to the requirements of the Academies Financial Handbook and the Academy Trust's Funding Agreement;
- ◆ to recommend for approval, to the Academy Trust board, the first formal budget plan of the year; and
- ◆ to monitor income and expenditure and to report the financial situation to the full Academy Trust board each term.

Trustees	Meetings attended	Out of a possible
Robert Janes (Chair)	6	6
Sylvia Perrins	6	6
Byron Parker	4	6
Timothy Plumb	6	6
Traci Jenkins	3	6
Tracy Russell	3	6
Samuel Fitzpatrick	4	6
Rebecca Lewis	4	6

Statement on regularity, propriety and compliance Year to 31 August 2020

Audit Committee

The Audit Committee is also a sub-committee of the main board of Trustees. Its purpose is to:

- ◆ To achieve internal scrutiny which delivers objective and independent assurance. To ensure that there is a process for checking financial systems, controls, transactions and risks;
- ◆ To provide assurance to Trustees that risks are being adequately identified and managed by reviewing the risks to internal financial control at the Academy Trust and agreeing a programme of work to address, and provide assurance on, those risks; and
- ◆ To inform the governance statement that accompanies the annual accounts and, so far as is possible, provide assurance to the external auditors.

The work of the Audit Committee during the year ending 31 August 2020 has included review of the Risk Register, appointment of an internal auditor and acceptance of the internal control reports.

Audit Committee attendance

Trustees	Meetings attended	Out of a possible
Robert Janes (Chair)	3	3
Sylvia Perrins	3	3
Byron Parker	2	3
Timothy Plumb	3	3
Traci Jenkins	1	3
Tracy Russell	1	3
Samuel Fitzpatrick	2	3
Rebecca Lewis	1	3

Review of value for money

In accordance with procurement policy notes 02/20 and 04/20, the trust took the following actions:

- Continued to pay invoices within the agreed terms of payment periods;
- Contacted the suppliers that were in contract with the trust to inform them that invoices would be paid following pre-Covid agreements;
- Forward order goods, where possible
- Insisted that the cleaning contractor continue to pay staff working at both schools and that they should not be furloughed, in-line with the continued payment of invoices
- Delayed the start date of the Multi-Function Device contract from April 2020 to September 2020. Extensive discussions took place to ensure that the supplier would not be hard shipped as a result of this delay.

Statement on regularity, propriety and compliance Year to 31 August 2020

As Accounting Officer, Mr T Plumb, CEO, has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during the 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 and improved value for money during the year by ensuring that regular and continuous reviews of the budget are undertaken. These are formalised in weekly finance meetings, where an Efficiency and Effectiveness discussion is held. These cover every area of the budget and considers the level and impact of current spend and practices. Methodology/processes are challenged and innovative new approaches sought. These meetings continued to take place online every week through lockdown.

We continue to use integrated curriculum and financial planning (ICFP) as a means of employing the most cost-efficient number of staff.

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 the Academy Trust's 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 at the 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;

Statement on regularity, propriety and compliance Year to 31 August 2020

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Buzzacott to carry out the work of the Responsible Officer and as an internal auditor. Due to Covid these reviews were carried out virtually and limited to checking the key internal controls and compliance.

New arrangements will be made for next year in-line with the requirements of the revised FRC Ethical Standard.

Review of effectiveness

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

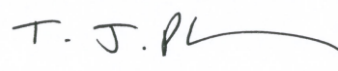
- ◆ the work of the responsible officer;
- ◆ the work of the external auditor;
- ◆ the financial management and governance self-assessment process;
- ◆ the work of the Senior Management Team within each school of the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of Trustees on 14 December 2020 and signed on their behalf by:



Sylvia Perrins
(Chair of Trustees)




Timothy Plumb
(Accounting Officer)

Statement on regularity, propriety and compliance Year to 31 August 2020

As Accounting Officer of PolyMAT, I have considered my responsibility to notify the 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 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 board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 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.

A handwritten signature in black ink, appearing to read 'T. J. Plumb', with a long horizontal flourish extending to the right.

Timothy Plumb

Accounting Officer

Date: 14 December 2020

Statement of Trustees' responsibilities Year to 31 August 2020

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP (FRS 102) and the Academies Accounts Direction 2019 to 2020;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) 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 the 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 Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 14 December 2020 and signed on its behalf by:



Sylvia Perrins
Chair of Trustees

Independent auditor's report on the financial statements to the members of PolyMAT

Opinion

We have audited the financial statements of PolyMAT (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP (FRS 102)) and the Academies Accounts Direction 2019 to 2020.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP (FRS 102) and Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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 charitable company'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 (covers the reference and administrative details, the report of the trustees and strategic report and the governance statement)

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report which is also the directors' report for the purposes of company law and includes the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the strategic report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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



17.12.2020

Hugh Swainson (Senior Statutory Auditor)
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Independent reporting auditor's assurance report on regularity to PolyMAT and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 July 2018 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 Woolwich Polytechnic School during the period from 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 PolyMAT and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to PolyMAT 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 PolyMAT and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of PolyMAT's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of PolyMAT's funding agreement with the Secretary of State for Education 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

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



Hugh Swainson

17.11.2020

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 August 2020
(Incorporating the income and expenditure account)

	Notes	Restricted funds			2020 Total funds £'000	2019 Total funds £'000
		Unrestricted general funds £'000	Restricted general funds £'000	Fixed assets funds £'000		
Income from:						
Donations and capital grants	1	—	—	608	608	647
. Transferred from DfE	1	—	—	24,466	24,466	—
Other trading activities	2	52	—	—	52	114
Investments	3	3	—	—	3	3
Charitable activities						
. Funding for the Trust's educational operations	4	—	13,241	—	13,241	10,718
Total income		55	13,241	25,074	38,370	11,482
Expenditure on:						
Charitable activities						
. Trust's educational operations	5	23	12,853	1,484	14,360	11,844
Total expenditure		23	12,853	1,484	14,360	11,844
Net income/(expenditure) for the year		32	388	23,590	24,010	(362)
Transfer between funds	17	—	(730)	730	—	—
Other recognised gains and losses						
Actuarial losses on defined benefit pension scheme	22	—	(179)	—	(179)	(713)
Net movement in funds		32	(521)	24,320	23,831	(1,075)
Reconciliation of funds						
Total fund balances brought forward at 1 September 2019		473	(4,225)	27,897	24,145	25,220
Total fund balances carried forward at 31 August 2020		505	(4,746)	52,217	47,976	24,145

All of the Trust's activities derived from continuing operations during the above two financial periods.

All gains and losses are included in the Statement of Financial Activities.

Balance sheet 31 August 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Intangible fixed assets	12		8		12
Tangible fixed assets	13		51,879		27,949
			<u>51,887</u>		<u>27,961</u>
Current assets					
Stock		3		7	
Debtors	14	509		219	
Cash at bank and in hand		1,624		1,388	
		<u>2,136</u>		<u>1,614</u>	
Liabilities					
Creditors: amounts falling due within one year	15	(1,131)		(1,135)	
Net current assets			<u>1,005</u>		<u>479</u>
Total assets less current liabilities			<u>52,892</u>		<u>28,440</u>
Creditors: amounts falling due after more than one year	16		(33)		(48)
Pension scheme liability	22		(4,883)		(4,247)
Total net assets			<u>47,976</u>		<u>24,145</u>
Funds of the Trust					
Restricted income funds					
. Fixed assets fund	17		52,217		27,897
. General fund	17		137		22
. Pension reserve	17		(4,883)		(4,247)
			<u>47,471</u>		<u>23,672</u>
Unrestricted funds					
. General fund	17		505		473
Total funds			<u>47,976</u>		<u>24,145</u>

The financial statements on pages 27 to 56 were approved by the Trustees, and authorised for issue on 14 December 2020 and are signed on their behalf by:



Sylvia Perrins
Chair

PolyMAT
Company Limited by Guarantee
Registration Number: 09078530 (England and Wales)

Statement of cash flows Year to 31 August 2020

		2020 £'000	2019 £'000
Net cash flows from operating activities			
Net cash provided by operating activities	A	572	734
Cash flows from investing activities			
	B	(333)	(216)
Cash flows from financing activities			
	C	(3)	(15)
Change in cash and cash equivalents in the year		236	503
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2019		1,388	885
Cash and cash equivalents at 31 August 2020		1,624	1,388
A Reconciliation of net income (expenditure) to net cash flow provided by operating activities			
		2020 £'000	2019 £'000
Net income (expenditure) for the year (as per the statement of financial activities)			
		24,010	(362)
Adjusted for:			
Amortisation (note 12)		4	1
Depreciation (note 13)		1,480	721
Capital grants from DfE and other capital income		(608)	(647)
Donated fixed assets		(24,466)	—
Interest receivable (note 3)		(3)	(3)
Defined benefit pension scheme net of contributions payable (note 22)		377	344
Defined benefit pension scheme finance cost (note 22)		80	80
Decrease (Increase) in stocks		4	(1)
Increase in debtors		(290)	(7)
(Decrease) increase in creditors		(16)	608
Net cash provided by operating activities		572	734
B Cash flows from investing activities			
		2020 £'000	2019 £'000
Dividends, interest and rents from investments			
		3	3
Purchase of intangible fixed assets			
		—	(11)
Purchase of tangible fixed assets			
		(944)	(855)
Capital grants from DfE/ESFA			
		608	647
Net cash used in investing activities		(333)	(216)
C Cash flows from financing activities			
		2020 £'000	2019 £'000
Cash inflows from new borrowing			
		12	—
Loan repayment			
		(15)	(15)
Net cash used in financing activities		(3)	(15)

Statement of cash flows Year to 31 August 2020

D Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash in hand and at bank	1,624	1,388
Total cash and cash equivalents	1,624	1,388

E Analysis of changes in net debt

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash	938	86	1,024
Cash equivalents	450	150	600
	1,388	236	1,624
Loans falling due within one year	(15)	(12)	(27)
Loans falling due after more than one year	(48)	15	(33)
Total	1,325	239	1,564

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 the ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in pound sterling and are rounded to the nearest thousand pound.

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.

The trustees have considered the impact of the current coronavirus pandemic on the Trust's operations. While they acknowledge the disruption caused by the pandemic to the Trust's day-to-day operations, they do not consider the pandemic to be cause for material uncertainty in respect to the Trust's ability to continue as a going concern. The Trust has and is continuing to develop contingency plans which are being implemented successfully and the trustees have therefore concluded that consider that the Trust has sufficient resources to continue for the foreseeable future, despite the current situation, and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Income (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.

The 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Donated fixed assets

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

Expenditure

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

Charitable activities

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

All expenditure is stated net of recoverable VAT.

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- ◆ Purchased computer software 33% per annum

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants or donated to the Academy Trust, they are included in the balance sheet at cost or an appropriate valuation and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

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

- ◆ Long leasehold buildings (Main School Building) 2% per annum
- ◆ Long leasehold buildings renewal and replacement Component rate

◆ Other buildings (Modular Timber-clad building)	4% per annum
◆ Furniture and equipment	20% per annum
◆ IT equipment	33% per annum

Depreciation is charged from the month of acquisition.

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

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

Leased assets

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

Stock

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

Taxation

The Academy 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 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.

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency and the Department for Education.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, The Royal Borough of Greenwich.

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 22, 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.

Notes to the Financial Statements Year to 31 August 2020

1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Donated fixed asset (see below)	—	24,466	24,466	—
Capital Grants	—	608	608	647
	—	25,074	25,074	647

On 1 September 2019, a new free school, Woolwich Polytechnic School for Girls, was transferred into the Trust from the Department for Education at a total value of £24,466,000. The school building has been valued at £23,304,000 and furniture and equipment at £1,162,000. Further information is provided in note 13.

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2019 Total funds £'000</i>
<i>Capital Grants</i>	—	647	647
	—	647	647

2 Other trading activities

	Unrestricted funds	
	2020 £'000	2019 £'000
Hire of facilities/lettings income	—	5
Trip income	19	71
Miscellaneous income	33	38
	52	114

3 Investment income

	Unrestricted funds	
	2020 £'000	2019 £'000
Investment income	3	3
	3	3

4 Funding for the Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
DfE / ESFA grants				
. General Annual Grant (GAG)	—	11,721	11,721	9,664
. Start Up Grants	—	—	—	195
. Other DfE / ESFA	—	1,303	1,303	608
	—	13,024	13,024	10,467
Other Government grants				
. Local authority grants	—	149	149	155
	—	149	149	155
Exceptional government funding				
Coronavirus job retention scheme	—	2	2	—
Coronavirus exceptional support	—	15	15	—
	—	17	17	—
Other income from the academy trust's educational operations	—	51	51	96
	—	13,241	13,241	10,718

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

- ◆ The academy furloughed its music peripatetic staff under the government's CJRS. This decision was taken by Trustees, as the salaries of these staff are paid for by parental contributions that were not paid during the closedown period. The funding received of £1,838 relates to staff costs in respect of 2 staff which are included within note 8 below as appropriate.
- ◆ The funding received for coronavirus exceptional support of £15,503 covers free school meals costs. The schools are in an area of high deprivation and students could not wait until the Eden voucher scheme was released. Free school meals were purchased via Sainsburys on-line voucher scheme for month 1 of lockdown. These costs are included in notes 5 and 6 below as appropriate.

Notes to the Financial Statements Year to 31 August 2020

4 Funding for the Trust's educational operations (continued)

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
DfE / ESFA grants			
. General Annual Grant (GAG)	—	9,664	9,664
. Start Up Grants	—	195	195
. Other DfE / ESFA	—	608	608
	—	10,467	10,467
Other Government grants			
. Local authority grants	—	155	155
	—	155	155
<i>Other income from the academy trust's educational operations</i>	96	—	96
	96	10,622	10,718

5 Expenditure

	Staff costs £'000	Premises £'000	Other costs £'000	2020 Total funds £'000	2019 Total funds £'000
<i>Charitable activities:</i>					
. Trust's educational operations					
.. Direct costs	9,127	1,484	659	11,270	9,464
.. Allocated support costs	1,561	759	770	3,090	2,380
	10,688	2,243	1,429	14,360	11,844

	Staff costs £'000	Premises £'000	Other costs £'000	2019 Total funds £'000
<i>Charitable activities:</i>				
. Trust's educational operations				
.. Direct costs	7,930	722	812	9,464
.. Allocated support costs	1,293	575	512	2,380
	9,223	1,297	1,324	11,844

Notes to the Financial Statements Year to 31 August 2020

5 Expenditure (continued)

Expenditure for the period includes:

	2020 Total funds £'000	2019 Total funds £'000
Operating lease rentals	40	42
Depreciation	1,480	721
Amortisation	4	1
Fees payable to auditor		
. Statutory audit	12	10
. Other services	12	4

6 Charitable activities – Trust's educational operations

	2020 Total funds £'000	2019 Total funds £'000
Direct costs	11,270	9,464
Support costs	3,090	2,380
	14,360	11,844

	2020 Total funds £'000	2019 Total funds £'000
Analysis of support costs		
Support staff costs	1,561	1,293
Technology costs	91	57
Premises costs	759	575
Legal costs – other	10	2
Other support costs	646	437
Governance costs	23	16
Total support costs	3,090	2,380

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2019 between restricted and unrestricted funds:

	Unrestricted general funds £'000	Restricted funds		2019 Total funds £'000
		Restricted general funds £'000	Fixed assets funds £'000	
Income from:				
Donations and capital grants	—	—	647	647
Other trading activities	114	—	—	114
Investments	3	—	—	3
Charitable activities				
. Funding for the Trust's educational operations	96	10,622	—	10,718
Total income	213	10,622	647	11,482
Expenditure on:				
Charitable activities				
. Trust's educational operations	—	11,122	722	11,844
Total expenditure	—	11,122	722	11,844
Net income/(expenditure) for the year	213	(500)	(75)	(362)
Transfer between funds	(197)	62	135	—
Other recognised gains and losses				
Actuarial losses on defined benefit pension scheme	—	(713)	—	(713)
Net movement in funds	16	(1,151)	60	(1,075)
Reconciliation of funds				
Total fund balances brought forward at 1 September 2018	457	(3,074)	27,837	25,220
Total fund balances carried forward at 31 August 2019	473	(4,225)	27,897	24,145

8 Staff

(a) Staff costs

Staff costs during the period were:

	2020 Total funds £'000	2019 Total funds £'000
Wages and salaries	7,848	6,962
Social security costs	862	761
Pension costs (includes FRS 102 charge of £377,000 (2019 – £344,000))	1,878	1,290
	10,588	9,013
Supply teacher costs	85	176
Staff restructuring costs	15	34
	10,688	9,223

	2020 £'000	2019 £'000
Staff restructuring costs comprise		
Redundancy payments	15	19
Severance payments	—	15
	15	34

(a) Staff severance payments

Non statutory severance payments were made to one individual during the year ended 31 August 2020 (2019 – three). This amounted to £15,000 (2019 – £11,000, £2,000 and £2,000).

(b) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2020 was as follows:

Charitable activities	2020 No.	2019 No.
Teachers	125	116
Administration and support	70	63
Management	3	3
	198	182

8 Staff (continued)

(c) Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2020 No.	2019 No.
£60,001 - £70,000	15	11
£70,001 - £80,000	3	2
£80,001 - £90,000	—	1
£140,001 - £150,000	1	1

Thirteen of the above employees participated in the Teachers' Pension Scheme, one employee participated in the LGPS. One employee has opted out of the Teachers' Pension Scheme. The total employer pension contribution costs for the above employees was £157,000 (2018 – £143,000)

(d) 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 national insurance contributions and employer pension contributions) received by key management personnel for their services to the academy trust was £354,000 (2019 – £374,000).

9 Trustees' remuneration and expenses

Co-CEOs only receive remuneration in respect of services they provide undertaking the role of paid executives and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

	2020 £'000	2019 £'000
B Parker (Co-Chief Executive and Trustee)		
. Remuneration	55 – 60	85 – 90
. Employer's pension contributions	—	—
T Plumb (Co-Chief Executive and Trustee)		
. Remuneration	145 – 150	145 – 150
. Employer's pension contributions	35 – 40	20 – 25

During the period ended 31 August 2020, no travel and subsistence expenses were reimbursed to Trustees (2019 – £446 to two Trustees).

10 Top slice, central services and contracts

The Trust delivers its services in three different ways:

- Top slice;
- Central services; and
- Central contracts

Top slice

The Core Executive Team is financed by the 'Top Slice' from each school within the Trust and its job is to lead the strategic development of the Trust and ensure that each school both contributes to and is supported by the success of the Trust overall.

Trust Central Services

These services are supplied by the Trust to ensure high quality delivery, the benefits of economies of scale and quality assurance between schools in the Trust. On entry to the Trust, the Central Services provision package for each school will be decided and will be individual for each school. Services are financed according to the size of provision and are covered by a Service Level Agreement (SLA) to ensure quality of provision. The Central Services provide a more cost-efficient and high-quality service that allows individual schools to have the safety net of a larger team and be freed from managing these services directly.

Central Contracts

Contracts are commissioned and managed by the Trust to give individual schools the benefits of economies of scale through larger-scale tendering. The procurement and management of the contracts is overseen by the COO and allows individual schools to be freed from the sometimes burdensome contractual negotiations and management that can detract from a focus on the core business of learning and teaching. The financing of the Central Contracts is at-cost so schools benefit directly from the deals negotiated by the Trust. The Central Contracts are decided upon a school's entry into the Trust with some being fixed and some negotiable depending upon the position of each school. The aim is that these contracts should always provide better value-for-money than would be possible if a school were outside the Trust.

Current Central Services are outlined below. As the Trust grows, more Central Services will be made available where they are shown to be beneficial to the Trust's strategic aims.

HR Administration

Allows all schools to benefit from a first class, safer recruitment strategy where legal compliance is guaranteed. This service covers the writing of advertisements, to the recruitment process itself and through to the induction of staff. Also included is payroll, employee welfare advice, managing attendance and dealing with HR issues such as handling grievances and disciplinaries.

Finance

All general finance duties undertaken including compliance, returns to the ESFA, purchasing of goods and services, payment of invoices and procurement. In addition, headteachers will benefit from budget setting and regular budget monitoring in order to produce a balanced in-year budget every year.

10 Central services and contracts (continued)

Central Contracts (continued)

Facility Management

Access to an experienced and fully trained team of facilities professionals to manage your estate. This team will ensure that the aspirational culture of the Trust is reflected in the vibrancy of the learning environments in all schools. A detailed building development plan will be drawn up for each school and, dependant on funds, schools may request funding from the Trust to carry out such works.

The Trust has a proven track record in securing funds for estate renovation from both the public and private sector.

Data

Access to a highly effective and responsive data team will respond to current standards and trends. This team will provide headteachers with the forensic tracking of every student to allow differentiation in the class and students to make the best possible progress.

IT Support

A consistent approach to the information learning technology infrastructure across the Trust. This infrastructure will sustain the longer-term strategic needs of the Trust and provide an essential framework for supporting an outstanding learning experience for all students. A Trust intranet will allow schools to stay in touch with each other and ease collaborative working.

Our Central Contracts package is reviewed each year and is currently:

- ◆ Admissions
- ◆ Clerking
- ◆ Legal Support
- ◆ HR Support
- ◆ Payroll
- ◆ Banking
- ◆ GDPR
- ◆ DBS
- ◆ Occupational Health
- ◆ Health and Safety Compliance
- ◆ Audit
- ◆ Workplace Employee Support
- ◆ Capita SIMS Finance

Notes to the Financial Statements Year to 31 August 2020

10 Central services and contracts (continued)

The total costs for the above three areas are analysed below (note that no comparative figure is provided on the basis that the second School only joined the Trust from 1 September 2019):

	2020 £
Woolwich Polytechnic School for Boys	718
Woolwich Polytechnic School for Girls	382
Total	1,100

11 Trustees' and Officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and is provided as part of the RPA membership. The total cost of RPA membership for the year ended 31 August 2020 was £32,060 (2019 – £29,980).

12 Intangible assets

	Computer software £'000	Total £'000
Cost/valuation		
At 1 September 2019 and 31 August 2020	55	55
Amortisation		
At 1 September 2019	43	43
Charge in year	4	4
At 31 August 2020	47	47
Net book value		
At 31 August 2020	8	8
At 31 August 2019	12	12

13 Tangible fixed assets

	Assets under construction £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	IT equipment £'000	Total £'000
Cost/valuation					
At 1 September 2019	623	30,275	163	266	31,327
Donated assets on acquisition	—	23,304	1,162	—	24,466
Additions	(623)	1,207	124	236	944
At 31 August 2020	—	54,786	1,449	502	56,737
Depreciation					
At 1 September 2019	—	3,112	76	190	3,378
Charge in period	—	1,160	267	53	1,480
At 31 August 2020	—	4,272	343	243	4,858
Net book value					
At 31 August 2020	—	50,514	1,106	259	51,879
At 31 August 2019	623	27,163	87	76	27,949

Notes to the Financial Statements Year to 31 August 2020

13 Tangible fixed assets (continued)

The Trust's transactions relating to land and buildings included:

- ◆ The taking up of the leasehold of the new Girls' school building for £23,304,000 on a 125 year lease from the Royal Borough of Greenwich.

The final payments due under the roof works contract finalising the project at a total cost of £821,868. The £622,839 within assets under construction has therefore been moved to leasehold land and building during the year.

- ◆ The trust was successful in two CIF bids during 2019/20, one for replacement windows (delayed due to Covid and will now not commence until the accounting year 2020/21) and one to replace the boiler, which commenced in August 2020. Work to the value of £68,000 was complete during the year out of a contracted sum of £477,000. The balance of £409,000 is disclosed as a capital commitment in note 24.

For the purposes of these financial statements, the leasehold land (125 year lease) is deemed to have no commercial value.

14 Debtors

	2020 £'000	2019 £'000
Trade debtors	21	2
VAT Debtor	92	25
Prepayments and accrued income	396	192
	509	219

15 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	46	—
Taxation and social security	425	310
ESFA creditor: abatement of GAG	39	—
Deferred income (see analysis below)	7	21
Accruals	587	789
Loans (see note 15)	27	15
	1,131	1,135

Deferred income

Deferred income at 1 September 2019	21	51
Released during the year	(21)	(51)
Resources deferred in the year	7	21
Deferred income at 31 August 2020	7	21

Deferred income relates to funding from various sources relating to the following financial year.

Notes to the Financial Statements Year to 31 August 2020

16 Creditors: amounts falling due in greater than one year

	2020 £'000	2019 £'000
Loans (see analysis below)	33	48
Repayments due as follows:		
Within one year	27	15
Between 1 and 2 years	14	15
Between 2 and 5 years	13	31
In more than 5 years	6	2
	60	63

The above loan balance relates wholly to loan funding received from the ESFA. The loan is part of a wider funding package for the cost of a new roof and roof light refurbishment that is otherwise comprised of capital grant. Interest is at 2.13%, with repayments being made between 2018 and 2025. The balance recognised above represents the amount of the loan funding that remains payable at 31 August 2020.

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
ESFA revenue grant fund					
. General Annual Grant (GAG)	—	11,721	(10,854)	(730)	137
. Start Up Grant	22	—	(22)	—	—
. Pupil Premium	—	513	(513)	—	—
. Other ESFA grants	—	841	(841)	—	—
. Other government grants	—	17	(17)	—	—
. Local authority grants	—	149	(149)	—	—
. Pension reserve	(4,247)	—	(457)	(179)	(4,883)
	(4,225)	13,241	(12,853)	(909)	(4,746)
Fixed assets fund					
. DfE/ESFA capital grants	1,641	608	(64)	—	2,185
. Donated fixed assets on conversion	25,750	24,466	(1,253)	—	48,963
. Capital expenditure from unrestricted funds	349	—	—	—	349
. Capital expenditure from GAG	157	—	(167)	730	720
	27,897	25,074	(1,484)	730	52,217
Total restricted funds	23,672	38,315	(14,337)	(179)	47,471
Unrestricted funds					
. Unrestricted funds	473	55	(23)	—	505
Total unrestricted funds	473	55	(23)	—	505
Total funds	24,145	38,370	(14,360)	(179)	47,976

17 Funds (continued)

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

ESFA revenue grant fund

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Start Up Grant

Funding was received in the year from the ESFA to support the pre-opening costs of the new girls school.

Pupil Premium

This relates to income received from the ESFA to support disadvantaged children from low-income families.

Other ESFA revenue grants

This primarily includes rates relief, year 7 catch-up grants and teacher pay grant income.

Pension reserve

The pension reserve relates to the Trust's share of the Local Government Pension Scheme. The Trust is carrying a net deficit of £4,883,000 (2019 – £4,247,000) on restricted general funds because of the deficit on its share of the Royal Borough of Greenwich Pension Fund.

Fixed assets fund

This fund represents the tangible fixed assets of the Trust including unspent grants received to fund works of a capital nature.

Other restricted funds

Local authority grants

These are grants receivable from the Royal Borough of Greenwich for specific purposes or projects.

Notes to the Financial Statements Year to 31 August 2020

17 Funds (continued)

Comparative information

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
ESFA revenue grant fund					
. General Annual Grant (GAG)	—	9,664	(9,726)	62	—
. Start Up Grant	36	195	(209)	—	22
. Pupil Premium	—	460	(460)	—	—
. Other ESFA grants	—	148	(148)	—	—
. Local authority grants	—	155	(155)	—	—
. Pension reserve	(3,110)	—	(424)	(713)	(4,247)
	<u>(3,074)</u>	<u>10,622</u>	<u>(11,122)</u>	<u>(651)</u>	<u>(4,225)</u>
Fixed assets fund					
. DfE/ESFA capital grants	1,716	647	(722)	—	1,641
. Donated fixed assets on conversion	25,750	—	—	—	25,750
. Capital expenditure from unrestricted funds	349	—	—	—	349
. Capital expenditure from GAG	22	—	—	135	157
	<u>27,837</u>	<u>647</u>	<u>(722)</u>	<u>135</u>	<u>27,897</u>
Total restricted funds	<u>24,763</u>	<u>11,269</u>	<u>(11,844)</u>	<u>(516)</u>	<u>23,672</u>
Unrestricted funds					
. Unrestricted funds	457	213	—	(197)	473
Total unrestricted funds	<u>457</u>	<u>213</u>	<u>—</u>	<u>(197)</u>	<u>473</u>
Total funds	<u>25,220</u>	<u>11,482</u>	<u>(11,844)</u>	<u>(713)</u>	<u>24,145</u>

18 Analysis of funds by school

	Total 2020 £'000	Total 2019 £'000
Woolwich Polytechnic School for Boys	496	495
Woolwich Polytechnic School for Girls	146	—
Total before fixed asset fund and pension reserve	<u>642</u>	495
Restricted fixed asset fund	52,217	27,897
Pension reserve	(4,883)	(4,247)
Total Funds	<u>47,976</u>	<u>24,145</u>

Notes to the Financial Statements Year to 31 August 2020

18 Analysis of funds by school (continued)

Expenditure incurred by each school during the year (excluding depreciation) was as follows (note that no comparative figure is provided on the basis that the Trust only became a multi-academy Trust from 1 September 2019):

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation)* £'000	Total 2020 £'000
Woolwich Polytechnic School for Boys	7,680	1,117	576	801	10,174
Woolwich Polytechnic School for Girls	1,073	131	44	269	1,517
Central services	310	377	38	460	1,185
Total costs	9,063	1,625	658	1,530	12,876

19 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2020 £'000	Total 2019 £'000
Fund balances at 31 August 2020 are represented by:					
Intangible fixed assets	—	—	8	8	12
Tangible fixed assets	—	—	51,879	51,879	27,949
Current assets	505	1,241	390	2,136	1,614
Current liabilities	—	(1,104)	(27)	(1,131)	(1,135)
Non-current liabilities	—	—	(33)	(33)	(48)
Pension scheme liability	—	(4,883)	—	(4,883)	(4,247)
Total net assets	505	(4,746)	52,217	47,976	24,145

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2019 £'000
<i>Fund balances at 31 August 2019 are represented by:</i>				
Intangible fixed assets	—	—	12	12
Tangible fixed assets	—	—	27,949	27,949
Current assets	473	1,141	—	1,614
Current liabilities	—	(1,120)	(15)	(1,135)
Non-current liabilities	—	—	(48)	(48)
Pension scheme liability	—	(4,247)	—	(4,247)
Total net assets	473	(4,225)	27,897	24,145

20 Commitments under operating leases

Operating leases

At 31 August 2020, the total of the Academy's future minimum lease payments under non-cancellable operating leases was as follows:

	2020 £	2019 £
Amounts due within one year	39	42
Amounts due between two and five years inclusive	72	38
	111	80

21 Members' Liability

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

22 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 Royal Borough of Greenwich. 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 £205,907 were payable to the schemes at 31 August 2020 (2019 – £121,681) and are included within creditors.

Teachers' Pension Scheme

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

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

22 Pension and similar obligations

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,252,000 (2019 – £737,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme 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 (LGPS)

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 £341,000 (2019 – £290,000), of which employer's contributions totalled £249,000 (2019 – £209,000) and employees' contributions totalled £92,000 (2019 – £81,000).

22 Pension and similar obligations

Local Government Pension Scheme (LGPS) (continued)

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	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.3%	3.8%
Rate of increase for pensions in payment / inflation	2.3%	2.3%
Discount rate for scheme liabilities	1.6%	1.9%

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	20.9	21.7
Females	23.6	23.6
<i>Retiring in 20 years</i>		
Males	22.4	23.3
Females	25.1	25.4

Sensitivity analysis – net increase in liability	At 31 August 2020 £'000	At 31 August 2019 £'000
Discount rate +0.1%	(219)	(177)
Discount rate -0.1%	225	182
Salary increase +0.1%	23	24
Salary increase -0.1%	(23)	(24)
Mortality rate +1 year	360	157
Mortality rate -1 year	(345)	(153)

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

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equity instruments	345	264
Debt instruments	705	503
Property	372	289
Cash	32	38
Other	2,331	1,796
Total market value of assets	3,785	2,890
Present value of scheme liabilities		
Funded	(8,668)	(7,137)
Deficit in the scheme	(4,883)	(4,247)

22 Pension and similar obligations

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2020 £'000	2019 £'000
Current service costs	626	462
Past service cost	—	89
Net interest cost	78	80
Administrative expenses	2	2
Total operating charge	706	633

Changes in the present value of defined benefit obligations were as follows:	2020 £'000	2019 £'000
At 1 September 2019	7,137	5,561
Current service cost	626	462
Past service cost	—	89
Interest cost	136	148
Employee contributions	92	81
Actuarial loss	699	817
Benefits paid	(22)	(21)
At 31 August 2020	8,668	7,137

Changes in the fair value of the Academy's share of scheme assets:	2020 £'000	2019 £'000
At 1 September 2019	2,890	2,451
Interest income	58	68
Actuarial gain	520	104
Employer contributions	249	209
Employee contributions	92	81
Benefits paid	(22)	(21)
Administration expenses	(2)	(2)
At 31 August 2020	3,785	2,890

23 Related party transactions

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

No related party transactions took place in the period of account.

24 Capital commitments

At 31 August 2020, the Trust had contracted for and authorised capital commitments of £409,000 in respect of boiler works (2019 – £206,056 in respect of roofing works).

Notes to the Financial Statements Year to 31 August 2020

25 Agency agreements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the year ended 31 August 2020 the trust received £36,797 (2019 – £36,737) and disbursed £45,832 (2019 – £26,818) from the fund. £884 is included in other creditors relating to undistributed funds that is repayable to ESFA (2019 – £9,919).

26 Post balance sheet event

There were no balance sheet events