
DRAPERS' MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Drapers' Company Queen Mary University of London Prof M Shiach
Trustees	Prof M Shiach, Chairman A Blunt V Annells (appointed 1 October 2019) P Beddows S Pitt (appointed 1 October 2019) B Frost G Kemp T Page (appointed 15 July 2020) N Redcliffe (appointed 7 September 2020) Prof V Davis D Sumner (resigned 15 July 2020)
Company registered number	07035556
Company name	Drapers' Multi-Academy Trust
Principal and registered office	Mountcliff House 154 Brent Street London NW4 2DR
Company secretary	P Norman
Senior Management Team	B Nasir, Chief Executive Officer P Norman, Director of Finance and Administration D Luckhurst, Principal A Winch, Principal T Spillane, Principal L Fisk, Principal S Monk, Vice Principal J Richardson, Vice Principal J Smith, Vice Principal M Fogarty, Vice Principal K Porter, Vice Principal J Armstrong, Director of Sixth Form
Independent auditors	Landau Baker Limited Chartered Accountants Statutory Auditors Mountcliff House 154 Brent Street London NW4 2DR

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Bankers Barclays Bank plc
 1 Churchill Place
 London
 E14 5HP

Solicitors Stone King LLP
 13 Queen Square
 Bath
 BA1 2HJ

DRAPERS' MULTI-ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of Drapers' Multi-Academy Trust (the MAT) 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 Trust operates Drapers' Academy, Drapers' Brookside Infant School, Drapers' Brookside Junior School, Drapers' Maylands Primary School and Drapers' Pyrgo Priory School in Harold Hill. Its academies have a combined pupil capacity of 2,410 and had a roll of 2,328 on the school census in October 2020.

Structure, governance and management

Constitution

The MAT is a company limited by guarantee with no share capital and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The three Members of the charitable company are The Drapers' Company and Queen Mary University of London in a corporate capacity and the Chair of the MAT. The Drapers' Company and Queen Mary University of London are joint sponsors of the MAT. The Members are responsible for holding the Trustees of the MAT to account for the governance arrangements of the Trust. The articles of association require the members to appoint at least four trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the MAT. The Trustees of the MAT are also the directors of the charitable company for the purposes of company law.

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

Members' Liability

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

Trustees' indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the MAT shall be indemnified out of the assets of the MAT against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the MAT.

Method of Recruitment and Appointment or Election of Trustees

Trustees are subject to retirement at the end of their four year term, except where they are sponsor appointed Trustees, where their term is determined by the Sponsor. For those with fixed term appointments, they are eligible for re-election at the meeting at which they retire.

The Trustees who were in office at 31 August 2020 and served throughout the year, except where shown, are listed on page 3.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as Trustees and directors of the MAT.

The Chair of the Trust has the responsibility for ongoing Trustee training. The local governing bodies (LGBs) oversee training for their Governors.

Organisational Structure

The organisational structure consists of four levels. The Members, the Trustees, the MAT executive leadership team and the school leadership teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, approving an annual plan and budget, monitoring all aspects of the MAT's performance and making major decisions about the direction of the schools within the MAT, capital expenditure and senior staff appointments.

The schools' leadership teams are the Principals, Vice Principals and Director of Sixth Form. These managers control the schools at an executive level, implementing the policies laid down by the Trustees and reporting back to them. As a group the school's leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the leadership team always contain a Governor. Some spending control is devolved to members of the senior leadership team (which comprises the executive leadership team plus Assistant Vice Principals and Phase Leaders), with limits above which a member of the school leadership team must countersign.

The MAT executive team comprises the Chief Executive Officer, Director of Finance and Administration, HR Manager and Estates and Facilities Manager. These individuals support and guide the schools, implementing the policies laid down by the Trustees and reporting back to them.

The MAT has LGBs to direct each of the schools within the MAT and there is a Scheme of Delegation which specifies the powers delegated to the LGBs and the members of the Leadership Teams. The Chair or Vice-Chair of each of the MAT schools are Trustees of the MAT.

The Chief Executive Officer assumes the accounting officer role.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting pay and remuneration are defined in the Trust's teacher and support staff pay policies. The MAT Board and its local governing bodies are committed to taking decisions in accordance with the 'key principles of public life'; objectivity, openness and accountability. The MAT Board recognizes the requirements for a fair and transparent policy to determine the pay and grading for all staff employed in the MAT. Leadership salaries are based on the size of the schools as per the Havering Local Authority pay bands. The principals and senior leadership team members may progress upwards in the band after a successful performance review with the local governing body Personnel Committee. There is an annual report to the Remuneration Committee on the principal and senior leadership team salaries. The report of the Remuneration Committee is scrutinized by the MAT board to ensure that all pay awards are compliant with the teacher and support pay policy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Related parties and other connected charities and organisations

The Drapers' Company and Queen Mary University of London are joint sponsors of the MAT, and provide from amongst their number trustees for the MAT Board as well as the majority of the members of the local governing bodies.

Details of related party transactions during the year are contained in note 28 to the financial statements.

Engagement with employees

Delivering on the MAT's objectives and aims requires good relationships and communication with its employees. The MAT has created a staff shared drive, which contains all MAT policies and procedures for easy access. The Principals of each MAT school regularly update their staff on MAT developments and forthcoming events via daily and weekly briefings. The CEO also provides termly updates/newsletters to all MAT staff. In 2019 a staff survey was issued to staff for feedback and comments, and this has resulted in the MAT deciding to implement a staff rewards scheme. The MAT recognises local unions for both teaching and support staff, as these relationships are beneficial for both the employer and employee. The Principals regularly seek feedback from school staff to help support the educational service to the community the MAT serves. Every schools principal attends one MAT Board meeting annually on a rota basis to present on standards and key issues in their school. In addition there is an annual retreat for the MAT board and the four school principals to review and agree priorities for the MAT.

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

Delivering on the MAT's aims and objectives requires good relationships and regular, effective communication with suppliers, customers and other stakeholders.

Some supplier relationships are key to the effective delivery of education in schools, for example with the MAT's IT partner, and as such the MAT Board receive regular updates on these relationships.

The MAT's key customers are the children, families and community it serves, and these customers are engaged in a number of different ways, largely through the Principals and other key staff within the MAT schools.

Objectives and Activities

Objects and Aims

The principal object and activity of the MAT is the operation of schools within the Trust to provide education for pupils of all abilities between the ages of 2 and 19 with an emphasis on Science and Maths. The Trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when defining and reviewing the aims and objectives of the MAT.

In accordance with the articles of association, the MAT has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government is part of the wider 'Master Funding Agreement' between the MAT and the Secretary of State and 'Supplemental Funding Agreements' for each school.

The Scheme of Government specifies, amongst other things, the basis for admitting students to the schools, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on Science and Maths and their practical applications.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and Activities (continued)

Objectives, Strategies and Activities

The main objectives of the MAT during the period ended 31 August 2020 are summarized below:

- To raise the standard of educational improvement of all pupils;
- To provide value for money for the funds expended. Strategies and activities for this are included in the Review of Value for Money section of this report;
- To comply with all statutory requirements;
- To conduct the MAT's business in accordance with the highest standards of integrity, probity and openness;
- To continue with initiatives to increase the number of pupils towards the targets set.

Some of the strategies and activities to achieve these objectives include:

- The CEO taking responsibility for scrutiny and analysis performance data of all the MAT schools against national data.
- The CEO taking responsibility for performance management of principals, where aspirational targets are set and monitored, for further improving outcomes.
- Principals using performance management as a way of improving pupil outcomes with each teacher being set pupil outcome targets.
- The establishment of an internal Academic Task Force, led by the CEO and with principals as members, with oversight of outcomes across the MAT schools. The Academic Task Force facilitates sharing of good practice, expertise and resources across the MAT schools.
- Shared training across the MAT schools, for example attendance, improving literacy
- The grants received from sponsors being used for resources to improve outcomes and the social capital of our pupils
- The purchase of external support, for example school improvement partners.
- Observing good practice in other schools.
- Working closely with the Local Authority admissions team.
- Advertising to publicise the MAT schools, for example advertising on local buses.
- Improved liaison and working between the MAT schools.

The MAT's aim is for our schools to be recognised as centres of excellence, where learning is fun and the highest of standards are achieved. We intend to provide this by:

- Providing a stimulating, safe and purposeful environment within which each pupil is valued and motivated to strive for excellence in both academic achievement and personal development;
- Providing a diverse and balanced curriculum with a quality of teaching that fosters an enjoyment of learning and develops skills for life;
- Delivering a personalised approach to learning to promote enjoyment and achievement;
- Including and developing all pupils and providing equal opportunities for all;
- Developing successful leadership at all levels and from all parts of the MAT community;
- Working in close partnership with parents, governors and the wider community

In addition to the points above, the principal long term objectives for the MAT are laid out in the Funding Agreement.

Public benefit

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. As a MAT we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Having two parent governors on each local governing body. Some local governing bodies also have

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TRUSTEES' REPORT (CONTINUED)
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Objectives and Activities (continued)

- community governors;
- Community events organized by the schools, for example a Harold Hill firework display;
- One of the sponsors, The Drapers' Company, contributes funds to the Harold Hill Foodbank.

Strategic Report

Achievements and Performance

Key performance indicators

Ofsted inspection outcomes

School	Ofsted Inspection	Outcome
Drapers' Maylands Primary School	June 2018	Good
Drapers' Pyrgo Priory School	January 2018	Good
Drapers' Brookside Infant School	November 2018	Requires Improvement
Drapers' Brookside Junior School	September 2017	Good
Drapers' Academy	March 2020	Good

Educational performance

No statutory assessments of primary schools were carried out in academic year 2019/20 due to the Covid pandemic and resulting school closures

Drapers' Academy

	2020 School –Centre assessed grades	Improvement from 2019- 2019 had Board examinations
Progress 8	+0.28	+0.53
Attainment 8	46.1	+3.8+3.8
English and Maths Grade 5 and above	42%	+11%
English and Maths Grade 4 and above	68%	+14%

Pupil Recruitment Data

School	Intake year group	Capacity	Pupils on roll at October 2020 Census
Drapers' Maylands Primary School	Reception	60	61
Drapers' Pyrgo Priory School	Reception	60	52
Drapers' Brookside Infant School	Reception	60	61
Drapers' Brookside Junior School	Year 3	60	60
Drapers' Academy	Year 7	210	208

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Achievements and Performance (continued)

Financial KPI's

School	Reserves at 31 August 2020 (excluding fixed asset and pension reserves) £000	As a % of annual income	Months' of income
Drapers' Academy	569	6.8%	0.8
Drapers' Brookside Infant School	82	6.4%	0.8
Drapers' Brookside Junior School	104	6.4%	0.8
Drapers' Maylands Primary School	(43)	(2.7)%	(0.3)
Drapers' Pyrgo Priory School	71	2.6%	0.3
Central	32	N/A	N/A
Total	814	5.1%	0.6

Going concern

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

The MAT schools were directed by the Government to close to pupils throughout the lockdown caused by the pandemic, except for children of key workers and vulnerable pupils. Schools remained open from 23 March 2020 to 20 July 2020 for these pupils and additional pupils from 7 June 2020 as more children were allowed to return to school by the government. Pupils were provided with home learning opportunities by schools throughout the Summer term, and extra government funding was used for the provision of free school meal vouchers, extra cleaning and making the schools Covid secure.

In the first half term of academic year 2020/21 there has been one confirmed Covid case for a pupil and one for a member of staff. This has not negatively impacted the operation of the MAT schools. However if confirmed cases increase there is the possibility of partial closures of the schools and blended learning will be implemented. There may be increased staffing costs in academic year 2020/21 as more staff self-isolate due to symptoms of Covid, or if required to by the Track and Trace system.

Promoting the success of the Trust

When making decisions, each director of the MAT ensures that they act in the way they consider, in good faith, would most likely promote the long term success of the Trust, for the benefit of the children, families and community it serves, and for its employees, suppliers and other stakeholders. In making decisions the directors have regard to the need for good relationships with suppliers, customers and other stakeholders, as well as the impact of the Trust's operations on the community it serves and the environment. In making decisions the directors have regard to maintaining a reputation for high standards of business conduct and the need to act fairly with all stakeholders.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Financial Review

Most of the MAT's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year, ESFA and other government grants received totaled £15,261,000. Other income included within restricted funds totaled £921,000. Restricted fund expenditure totaled £17,410,000.

The MAT received grants for fixed assets from the ESFA during the year totaling £127,000. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2020 the balance of funds, excluding pension funds, was £37,356,000 (2019: £37,765,000). At 31 August 2020 the balance of funds, excluding pension funds and fixed asset funds, was £814,000 (2019: £603,000).

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing funds shown in the total funds of the MAT. It should be noted that this does not present the MAT with any current liquidity problem. The employer contributions are currently being reviewed and it is expected that they will increase to bring a further reduction in this pension deficit in future.

Overall, the MAT has a healthy balance sheet and cash position.

Reserves Policy

The definition of reserves in the SORP is 'That part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the MAT has or can make available to spend for any or all of the MAT's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' is income which becomes available to the MAT and which can be spent at the Trustees' discretion in furtherance of any of the MAT's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the MAT. Total reserves (funds) at the end of the year amounted to £30,933,000. This balance includes a pension deficit of £6,461,000, and fixed asset funds of £36,580,000. Fixed asset funds largely comprise the schools' buildings Reserves excluding pension and fixed asset reserves amount to £814k, which

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

the MAT considers appropriate an appropriate level for its size.

The amount of designations made in relation to the reserves totals to £nil.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the MAT recognises a significant pension fund deficit totaling to £6,461,000. This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

A surplus or deficit position of the pension scheme would generally result in a cash flow effect for the MAT in the form of an increase or decrease in employers' pension contributions over a period of years. The MAT thus takes this into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the MAT's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the MAT due to the recognition of the deficit.

Investment Policy

It should be noted that the MAT has substantial power with regards to investments due to cash balances held. The MAT operates one bank account for all schools. Investment policies are determined by the Trust Board. This ensures the level of cash the MAT holds can cover any immediate expenditure, without exposing the MAT to additional risk. Any excess cash balances are invested with the MAT's bankers on fixed-term time deposits of periods of less than one year, or through notice deposit accounts. Should any potential investment opportunity arise this would be escalated to the Board for consideration. At 31 August 2020, £400,000 was held in a notice deposit account with Barclays Bank.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The MAT is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the MAT's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The MAT's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the MAT faces. Internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and committal to project expenditure

The Trustees have assessed the major risks to which the MAT is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the MAT, and its finances. The Trustees have implemented a number of systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The MAT has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with Health & Safety regulations pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2020.

Fundraising

The MAT carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The MAT is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy usage data for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)

Energy consumption break down (kWh)

Drapers' Academy	Gas	834,809
	Electricity	565,442
	Transport Fuel	756
Drapers' Brookside Schools	Gas	232,347
	Electricity	133,586
	Transport Fuel	851
Drapers' Maylands	Gas	187,951
	Electricity	57,613
	Transport Fuel	977
Drapers' Pyrgo	Gas	338,895
	Electricity	111,316
	Transport Fuel	520

Scope 1 emissions in metric tonnes CO2e

Gas consumption	293
Owned transport - minibuses	6
Total scope 1	299

Scope 2 emissions in metric tonnes CO2e

Purchased electricity	202
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Scope 3 emissions in metric tonnes CO2e

Business travel in employee owned vehicles	0.4
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Total gross emissions in metric tonnes CO2e 502

Intensity ratio

Tonnes CO2e per pupil	0.2
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined Energy and Carbon Reporting (continued)

Quantification and Reporting Methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

1. We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between school sites.
2. An application has been accepted for the low carbon skills fund survey with a view to applying for further funding from the Public Sector Decarbonisation Scheme across all MAT schools, largely to fund projects on improving heating and lighting within schools.

Plans for Future Periods

In the year the MAT undertook to examine the progress made with the action plan from the external governance review that it undertook in 2019, the findings of which were used to further strengthen the governance of the MAT.

School improvement work was initiated across the MAT schools which will assist greater collaboration and sharing of expertise across the MAT schools.

The schools and the MAT executive worked closely together on the risk assessments that had to be carried out to make the schools Covid secure on reopening following the period of school closures.

Funds Held as Custodian Trustee on Behalf of Others

The MAT and its Trustees did not act as custodian trustee during the current or previous period.

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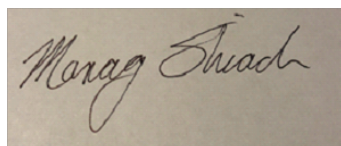
TRUSTEES' REPORT (CONTINUED)
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Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2020 and signed on its behalf by:

A photograph of a handwritten signature in black ink on a light-colored background. The signature is written in a cursive style and reads "Merag Shiach".

Prof M Shiach
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring that 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 Drapers' Multi-Academy Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Prof M Shiach, Chairman	6	6
P Beddows	6	6
Prof V Davis	6	6
A Blunt	6	6
G Kemp	4	6
B Frost	6	6
V Annells	5	6
S Pitt	6	6
T Page	1	1
D Sumner	6	6

Trustees typically also serve on a number of other sub committees.

The Finance and Audit Committee is a sub-committee of the Board of Trustees. Its main purpose is to assist the Board in fulfilling its obligations with regard to financial and risk management and oversight.

The Remuneration Committee is a sub-committee of the Board of Trustees. Its main purpose is to assist the board in fulfilling its obligations with regard to pay and remuneration.

No significant issues to note were dealt with during the period.

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GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the MAT 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 MAT's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the MAT has delivered improved value for money during the year by:

- Further consolidating Support Services between schools;
- Procuring resources centrally to achieve improved discounts.

Examples of steps taken to maximise income generation include:

- Making use of money deposits to earn income on balances held;
- Letting the premises to multiple groups;
- Establishing links with other organisations who could use the facilities available;
- Applying for additional grants.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Drapers' Multi-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 on-going process for identifying, evaluating and managing the MAT'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 MAT's system of internal financial control is based on a framework of regular management information and administrative procedures, including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- regular reviews by the MAT board and local governing bodies of reports which indicate financial performance against budget 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; and
- identification and management of risks.

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

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

- not to appoint an internal auditor. However the Trustees have appointed Landau Baker, the external auditor, to perform additional internal scrutiny checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of revenue

On an annual basis, Landau Baker reports to the Board of Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The Board can confirm that Landau Baker has only partially delivered their schedule of work planned, due to the Covid pandemic. They have provided details of any control issues arising as a result of their work. During the current and previous period, there were no material control issues noted and thus no remedial action was required to be taken.

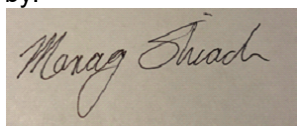
Review of Effectiveness

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

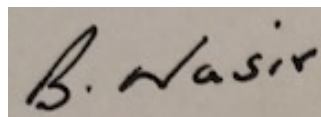
- the work of the external auditors;
- internal scrutiny work;
- the work of executive managers within the MAT who have responsibility for the development and maintenance of the internal control framework.

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 Audit Committee and the external auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Prof M Shiach
Chair of Trustees



B Nasir
Accounting Officer

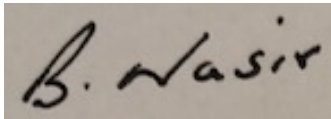
DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Drapers' Multi-Academy Trust I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 Trust 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.



B Nasir

Accounting Officer

Date: 14 December 2020

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

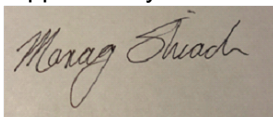
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



Prof M Shiach
Chair of Trustees

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DRAPERS' MULTI-ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DRAPERS' MULTI-ACADEMY TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DRAPERS' MULTI-ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

 FOR LANDAU BAKER LIMITED

Carly Pinkus (Senior Statutory Auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 14 December 2020

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DRAPERS' MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 October 2011 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 Drapers' Multi-Academy Trust during the year 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 Drapers' Multi-Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Drapers' Multi-Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Drapers' Multi-Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Drapers' Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Drapers' Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2014 and 17 March 2015, and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DRAPERS'
MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 14 December 2020

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants	3	-	663	127	790	1,241
Charitable activities		-	15,134	-	15,134	13,665
Other trading activities		-	254	-	254	437
Investments	6	-	4	-	4	7
Total income		-	16,055	127	16,182	15,350
Expenditure on:						
Charitable activities	8	-	16,467	943	17,410	16,455
Total expenditure		-	16,467	943	17,410	16,455
Net expenditure		-	(412)	(816)	(1,228)	(1,105)
Transfers between funds	19	(581)	385	196	-	-
Net movement in funds before other recognised gains/(losses)		(581)	(27)	(620)	(1,228)	(1,105)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	35	-	35	(1,825)
Net movement in funds		(581)	8	(620)	(1,193)	(2,930)
Reconciliation of funds:						
Total funds brought forward		581	(5,655)	37,162	32,088	35,018
Net movement in funds		(581)	8	(620)	(1,193)	(2,930)
Total funds carried forward		-	(5,647)	36,542	30,895	32,088

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

The notes on pages 29 to 55 form part of these financial statements.

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07035556

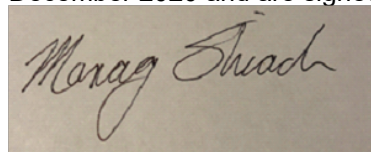
BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	15	36,475	37,063
		<u>36,475</u>	<u>37,063</u>
Current assets			
Debtors	16	592	663
Cash at bank and in hand		1,366	1,068
		<u>1,958</u>	<u>1,731</u>
Creditors: amounts falling due within one year	17	(1,077)	(1,029)
Net current assets		<u>881</u>	<u>702</u>
Total assets less current liabilities		<u>37,356</u>	<u>37,765</u>
Net assets excluding pension liability		<u>37,356</u>	<u>37,765</u>
Defined benefit pension scheme liability	26	(6,461)	(5,677)
Total net assets		<u><u>30,895</u></u>	<u><u>32,088</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	36,542	37,162
Restricted income funds	19	814	22
		<u>37,356</u>	<u>37,184</u>
Restricted funds excluding pension asset	19	37,356	37,184
Pension reserve	19	(6,461)	(5,677)
Total restricted funds	19	<u>30,895</u>	<u>31,507</u>
Unrestricted income funds	19	-	581
Total funds		<u><u>30,895</u></u>	<u><u>32,088</u></u>

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07035556

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 25 to 55 were approved by the Trustees, and authorised for issue on 14 December 2020 and are signed on their behalf, by:

A rectangular box containing a handwritten signature in black ink. The signature is written in a cursive style and appears to read 'M. Shiach'.

Prof M Shiach
Chair of trustees

The notes on pages 29 to 55 form part of these financial statements.

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	<i>2019</i> <i>£000</i>
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	522	<i>(526)</i>
Cash flows from investing activities	22	(224)	<i>(205)</i>
Change in cash and cash equivalents in the year		298	<i>(731)</i>
Cash and cash equivalents at the beginning of the year		1,068	<i>1,799</i>
Cash and cash equivalents at the end of the year	23, 24	<u>1,366</u>	<u><i>1,068</i></u>

The notes on pages 29 to 55 form part of these financial statements

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Trust, can be reliably measured.

• **Grants**

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income (continued)

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

- **Sponsorship income**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Improvements to leasehold property	- 50 years
Long term leasehold property	- 125 years
Furniture and equipment	- 7 - 25 years
Plant and machinery	- 7 years
Computer equipment	- 5 years

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.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities

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

DRAPERS' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. 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.

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.12 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2016 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.

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3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Donations	-	663	-	663	351
Capital Grants	-	-	127	127	890
	-	663	127	790	1,241
<i>Total 2019</i>	<i>351</i>	<i>-</i>	<i>890</i>	<i>1,241</i>	

4. Funding for the Trust's educational operations

	Restricted funds 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
DfE/ESFA grants			
GAG	12,155	12,155	11,545
Other ESFA grants	1,953	1,953	1,336
	14,108	14,108	12,881
Other government grants			
LA grants	834	834	784
	834	834	784
Exceptional government funding			
Coronavirus exceptional support	192	192	-
	15,134	15,134	13,665
<i>Total 2019</i>	<i>13,665</i>	<i>13,665</i>	

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 funding received for coronavirus exceptional support covers £145k of free school meal vouchers and £10k of additional costs relating to hygiene and provision of a safe environment. These costs are included in support costs below as appropriate.

- The academy furloughed some of its catering staff under the government's CJRS. The funding received

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

of £37k relates to staff costs in respect of 6 staff which are included within the staff costs note below as appropriate.

5. Income from other trading activities

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Lettings	-	18	18	35
Trips	-	20	20	79
Restaurant	-	109	109	167
Other income	-	107	107	156
	-	254	254	437
<i>Total 2019</i>	31	406	437	

6. Investment income

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Investment income	-	4	4	7
<i>Total 2019</i>	7	-	7	

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NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs	Premises	Other	Total	<i>Total</i>
	2020	2020	2020	2020	<i>2019</i>
	£000	£000	£000	£000	<i>£000</i>
Educational operations:					
Direct costs	10,755	-	1,037	11,792	11,045
Allocated support costs	2,234	1,517	1,867	5,618	5,410
	<u>12,989</u>	<u>1,517</u>	<u>2,904</u>	<u>17,410</u>	<u>16,455</u>
<i>Total 2019</i>	<u><u>11,825</u></u>	<u><u>1,536</u></u>	<u><u>3,094</u></u>	<u><u>16,455</u></u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted	Restricted	Total	<i>Total</i>
	funds	funds	funds	<i>funds</i>
	2020	2020	2020	<i>2019</i>
	£000	£000	£000	<i>£000</i>
Educational operations	-	17,410	17,410	16,455
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2019</i>	<u><u>193</u></u>	<u><u>16,262</u></u>	<u><u>16,455</u></u>	

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9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Educational operations	11,792	5,618	17,410	16,455
<i>Total 2019</i>	<i>11,045</i>	<i>5,410</i>	<i>16,455</i>	

Analysis of direct costs

	Educational operations 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Staff costs	10,201	10,201	9,137
Books, apparatus and stationery	858	858	952
Examination fees	95	95	83
Staff development	80	80	91
Other direct costs	4	4	7
Agency supply teaching	554	554	775
	<u>11,792</u>	<u>11,792</u>	<u>11,045</u>
<i>Total 2019</i>	<i>11,045</i>	<i>11,045</i>	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Pension finance cost	115	115	98
Staff costs	2,229	2,229	1,913
Depreciation	943	943	1,045
Pupil recruitment and support	275	275	277
Maintenance of premises and equipment	207	207	256
Cleaning	243	243	221
Rent and rates	92	92	92
Heat and light	189	189	227
Insurance	117	117	89
Security	73	73	82
Transport	8	8	15
Catering	398	398	385
Technology costs	373	373	304
Other support costs	223	223	263
Governance costs	133	133	143
	<u>5,618</u>	<u>5,618</u>	<u>5,410</u>
<i>Total 2019</i>	<u>5,410</u>	<u>5,410</u>	

10. Net expenditure

Net expenditure for the year includes:

	2020 £000	<i>2019 £000</i>
Operating lease rentals	48	-
Depreciation of tangible fixed assets	943	1,045
Fees paid to auditors for:		
- audit	24	23
- other services	3	3
	<u>975</u>	<u>1,071</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	<i>2019</i>
	£000	<i>£000</i>
Wages and salaries	8,966	8,382
Social security costs	893	843
Pension costs	2,570	1,825
	12,429	<i>11,050</i>
Agency staff costs	554	775
Other costs	6	-
	12,989	<i>11,825</i>
	2020	<i>2019</i>
	£000	<i>£000</i>
Severance payments	6	-
	6	<i>-</i>

b. Staff numbers

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

	2020	<i>2019</i>
	No.	<i>No.</i>
Teachers	131	127
Administration and support	200	197
Management	15	12
	346	<i>336</i>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2020	2019
	No.	No.
Teachers	120	121
Administration and support	132	131
Management	14	11
	266	263

c. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	2	-
In the band £80,001 - £90,000	3	3
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,213,373 (2019 £1,106,327).

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NOTES TO THE FINANCIAL STATEMENTS
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12. Central services

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

- Professional services, including school improvement, finance, human resources, marketing, estates and facilities.

The Trust charges for these services on the following basis:

Services have been provided at cost.

The actual amounts charged during the year were as follows:

	2020	<i>2019</i>
	£000	<i>£000</i>
Drapers' Academy	344	<i>496</i>
Drapers' Brookside Infant & Junior Schools	112	<i>120</i>
Drapers' Maylands Primary School	61	<i>65</i>
Drapers' Pyrgo Priory School	112	<i>121</i>
Total	629	<i>802</i>

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2019 - £NIL*).

During the year ended 31 August 2020, no Trustee expenses have been incurred (*2019 - £NIL*).

14. Trustees' and Officers' insurance

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

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15. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Plant and machinery £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2019	38,537	225	3,349	2,539	64	44,714
Additions	22	59	28	141	105	355
At 31 August 2020	<u>38,559</u>	<u>284</u>	<u>3,377</u>	<u>2,680</u>	<u>169</u>	<u>45,069</u>
Depreciation						
At 1 September 2019	3,479	88	1,956	2,091	37	7,651
Charge for the year	596	49	106	175	17	943
At 31 August 2020	<u>4,075</u>	<u>137</u>	<u>2,062</u>	<u>2,266</u>	<u>54</u>	<u>8,594</u>
Net book value						
At 31 August 2020	<u><u>34,484</u></u>	<u><u>147</u></u>	<u><u>1,315</u></u>	<u><u>414</u></u>	<u><u>115</u></u>	<u><u>36,475</u></u>
At 31 August 2019	<u><u>35,057</u></u>	<u><u>138</u></u>	<u><u>1,393</u></u>	<u><u>448</u></u>	<u><u>27</u></u>	<u><u>37,063</u></u>

16. Debtors

	2020 £000	<i>As restated</i> 2019 £000
Due within one year		
Trade debtors	-	5
Other debtors	24	48
Prepayments and accrued income	177	227
Tax recoverable	86	185
Grants receivable	305	198
	<u><u>592</u></u>	<u><u>663</u></u>

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17. Creditors: Amounts falling due within one year

	2020	<i>2019</i>
	£000	<i>£000</i>
Trade creditors	187	258
Other taxation and social security	215	210
Other creditors	215	122
Accruals and deferred income	460	439
	1,077	<i>1,029</i>
	1,077	<i>1,029</i>
	2020	<i>2019</i>
	£000	<i>£000</i>
Deferred income at 1 September 2019	158	100
Resources deferred during the year	166	158
Amounts released from previous periods	(158)	(100)
	166	<i>158</i>
	166	<i>158</i>

At the balance sheet date the academy was holding funds received in advance for universal infant free school meals, rates relief and 16-19 bursary income.

18. Financial instruments

	2020	<i>2019</i>
	£000	<i>£000</i>
Financial assets		
Financial assets measured at fair value through income and expenditure	1,366	<i>1,068</i>
	1,366	<i>1,068</i>

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General funds - other	581	-	-	(581)	-	-
Restricted general funds						
GAG	15	12,155	(11,834)	385	-	721
Pupil premium	-	1,051	(993)	-	-	58
Other ESFA funding	7	902	(907)	-	-	2
LA and other government funding	-	834	(834)	-	-	-
Exceptional government funding	-	192	(192)	-	-	-
General	-	260	(260)	-	-	-
Sponsor funding	-	661	(628)	-	-	33
Pension reserve	(5,677)	-	(819)	-	35	(6,461)
	<u>(5,655)</u>	<u>16,055</u>	<u>(16,467)</u>	<u>385</u>	<u>35</u>	<u>(5,647)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	37,162	127	(943)	196	-	36,542
Total Restricted funds	<u>31,507</u>	<u>16,182</u>	<u>(17,410)</u>	<u>581</u>	<u>35</u>	<u>30,895</u>
Total funds	<u><u>32,088</u></u>	<u><u>16,182</u></u>	<u><u>(17,410)</u></u>	<u><u>-</u></u>	<u><u>35</u></u>	<u><u>30,895</u></u>

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

All funds originated from assets gifted by the predecessor school. In addition:

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the Trust.

The restricted funds can only be used in terms of limitations imposed the the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the Trust.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	<i>2019</i>
	£000	<i>£000</i>
Drapers' Academy	570	<i>452</i>
Drapers' Brookside Infant & Junior Schools	185	<i>153</i>
Drapers' Maylands Primary School	(44)	<i>(57)</i>
Drapers' Pyrgo Priory School	72	<i>55</i>
Held centrally	31	<i>-</i>
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	814	<i>603</i>
Restricted fixed asset fund	36,542	<i>37,162</i>
Pension reserve	(6,461)	<i>(5,677)</i>
	<hr/>	<hr/>
Total	30,895	<i>32,088</i>
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit
	£000
Drapers' Maylands Primary School	44
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Drapers' Maylands Primary School is a new free school with year groups reception to year 4 as of 31 August 2020, and so is set to grow by two further year groups over the next two years. Close monitoring of expenditure and expected growth in the number of pupils should allow for a reduction of the deficit. The deficit arose in 2018/19 and related to a pupil number/GAG funding adjustment of £117,713.

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

Close monitoring of expenditure and the staff structure should ensure that the school, as it grows, will have overheads and support costs spread over a greater number of pupils and the deficit eliminated.

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	<i>Total 2019 £000</i>
Drapers' Academy	5,592	636	296	1,764	8,288	8,014
Drapers' Brookside Infant & Junior Schools	1,930	237	231	451	2,849	2,949
Drapers' Maylands Primary School	995	135	120	306	1,556	1,321
Drapers' Pyrgo Priory School	2,039	219	199	349	2,806	2,711
Held centrally	199	1,007	107	(345)	968	415
Trust	10,755	2,234	953	2,525	16,467	15,410

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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2019 £000</i>
Unrestricted funds						
General funds - other	985	41	-	(445)	-	581
Sponsor funded account	3	348	(193)	(158)	-	-
	<u>988</u>	<u>389</u>	<u>(193)</u>	<u>(603)</u>	<u>-</u>	<u>581</u>
Restricted general funds						
GAG	40	11,545	(12,181)	611	-	15
Pupil premium	-	893	(893)	-	-	-
Other ESFA funding	-	443	(436)	-	-	7
LA and other government funding	-	783	(783)	-	-	-
Exceptional government funding	-	407	(407)	-	-	-
Pension reserve	(3,335)	-	(517)	-	(1,825)	(5,677)
	<u>(3,295)</u>	<u>14,071</u>	<u>(15,217)</u>	<u>611</u>	<u>(1,825)</u>	<u>(5,655)</u>

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19. Statement of funds (continued)

	<i>Balance at 1 September 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2019 £000</i>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	37,325	890	(1,045)	(8)	-	37,162
Total Restricted funds	<u>34,030</u>	<u>14,961</u>	<u>(16,262)</u>	<u>603</u>	<u>(1,825)</u>	<u>31,507</u>
Total funds	<u><u>35,018</u></u>	<u><u>15,350</u></u>	<u><u>(16,455)</u></u>	<u><u>-</u></u>	<u><u>(1,825)</u></u>	<u><u>32,088</u></u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	36,475	36,475
Current assets	1,891	67	1,958
Creditors due within one year	(1,077)	-	(1,077)
Provisions for liabilities and charges	(6,461)	-	(6,461)
Total	<u><u>(5,647)</u></u>	<u><u>36,542</u></u>	<u><u>30,895</u></u>

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £000</i>	<i>Restricted funds 2019 £000</i>	<i>Restricted fixed asset funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Tangible fixed assets	-	-	37,063	37,063
Current assets	581	1,051	99	1,731
Creditors due within one year	-	(1,029)	-	(1,029)
Provisions for liabilities and charges	-	(5,677)	-	(5,677)
Total	581	(5,655)	37,162	32,088

21. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £000	<i>2019 £000</i>
Net expenditure for the period (as per Statement of Financial Activities)	(1,228)	<i>(1,105)</i>
Adjustments for:		
Depreciation	943	<i>1,045</i>
Capital grants from DfE and other capital income	(127)	<i>(890)</i>
Interest receivable	(4)	<i>(7)</i>
Defined benefit pension scheme cost less contributions payable	704	<i>419</i>
Defined benefit pension scheme finance cost	115	<i>98</i>
Decrease/(increase) in debtors	71	<i>(285)</i>
Increase in creditors	48	<i>199</i>
Net cash provided by/(used in) operating activities	522	<i>(526)</i>

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22. Cash flows from investing activities

	2020	<i>2019</i>
	£000	<i>£000</i>
Dividends, interest and rents from investments	4	7
Purchase of tangible fixed assets	(355)	(1,102)
Capital grants from DfE Group	127	890
Net cash used in investing activities	(224)	<i>(205)</i>

23. Analysis of cash and cash equivalents

	2020	<i>2019</i>
	£000	<i>£000</i>
Cash in hand	1,366	1,068
Total cash and cash equivalents	1,366	<i>1,068</i>

24. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	1,068	298	1,366
	1,068	298	1,366

25. Capital commitments

	2020	<i>2019</i>
	£000	<i>£000</i>
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	339	105

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26. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2020.

Contributions amounting to £214,169 were payable to the schemes at 31 August 2020 (2019 - £ -) and are included within creditors.

Teachers' Pension Scheme

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

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

The Teachers' Pension Budgeting and Valuation Account

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

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

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

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26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,249,372 (2019 - £820,449).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £779,000 (2019 - £758,000), of which employer's contributions totalled £611,000 (2019 - £601,000) and employees' contributions totalled £ 168,000 (2019 - £157,000). The agreed contribution rates for future years are 20.1 per cent for employers and between 5.5 and 12.5 per cent for employees.

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

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

Principal actuarial assumptions

London Borough of Havering Pension Fund

	2020	2019
	%	%
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.1
Females	23.7	23.3
<i>Retiring in 20 years</i>		
Males	22.4	22.2
Females	25.2	24.8

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26. Pension commitments (continued)

Sensitivity analysis

London Borough of Havering Pension Fund

	2020	<i>2019</i>
	£000	<i>£000</i>
Discount rate -0.1%	375	<i>355</i>
CPI rate +0.1%	341	<i>307</i>
	=====	<i>=====</i>

Share of scheme assets

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

	2020	<i>2019</i>
	£000	<i>£000</i>
Equities	3,276	<i>3,372</i>
Corporate bonds	2,402	<i>2,010</i>
Property	1,165	<i>454</i>
Cash and other liquid assets	436	<i>649</i>
	=====	<i>=====</i>
Total market value of assets	7,279	<i>6,485</i>
	=====	<i>=====</i>

The actual return on scheme assets was £34,000 (2019 - £263,000).

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

	2020	<i>2019</i>
	£000	<i>£000</i>
Current service cost	(1,315)	<i>(981)</i>
Past service cost	-	<i>(39)</i>
Interest income	130	<i>160</i>
Interest cost	(245)	<i>(258)</i>
	=====	<i>=====</i>
Total amount recognised in the Statement of Financial Activities	(1,430)	<i>(1,118)</i>
	=====	<i>=====</i>

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26. Pension commitments (continued)

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

	2020 £000	2019 £000
At 1 September	12,162	8,683
Current service cost	1,315	981
Interest cost	245	258
Employee contributions	168	157
Actuarial (gains)/losses	(69)	2,088
Benefits paid	(81)	(44)
Past service costs	-	39
At 31 August	13,740	12,162

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

	2020 £000	2019 £000
At 1 September	6,485	5,348
Interest income	130	160
Actuarial (losses)/gains	(34)	263
Employer contributions	611	601
Employee contributions	168	157
Benefits paid	(81)	(44)
At 31 August	7,279	6,485

27. Operating lease commitments

At 31 August 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £000	2019 £000
Not later than 1 year	48	-
Later than 1 year and not later than 5 years	132	-
	180	-

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28. 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.

29. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn primarily from the Drapers' Company and Queen Mary University of London, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Drapers' Company, one of the sponsors of the Trust, has provided grants amounting to £661,000 (2019: £347,870) to the Trust in the year. In addition, it provided funding in the current year to fund the purchase of 4 new minibuses amounting to £105,000.

30. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the trust received £15,448 (2019: £15,556) and disbursed £9,378 (2019: £11,488) from the fund. An amount of £14,542 (2019: £8,472) is included in other creditors relating to undistributed funds that are repayable to the ESFA.