

# **The Manor Trust**

## **Annual Report and Financial Statements**

31 August 2020

Company Limited by Guarantee  
Registration Number  
07843573 (England and Wales)

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## Reference and administrative information

<b>Members</b>	I Hamilton-Bower M Hamilton K Hume T Nadarajah Dr N Osuji
<b>Trustees</b>	A Chambers, Trustee and Vice Chair of the Board of Trustees J Chandler, Chair of the Audit Committee A Compton, CEO, Accounting Officer of The Manor Trust and Headteacher of Norbury Manor Business and Enterprise College for Girls (retired as Headteacher on 31 August 2020) C Cranham, Headteacher of Kensington Avenue Primary School R McIntosh, Trustee and Member of the Local Governing Body of Kensington Avenue Primary School M Miller, Trustee (resigned 24 August 2020) D Ogg, Chair of Board of Trustees and Member of the Audit Committee M Turner, Chair of Local Governing Body at Norbury Manor Business and Enterprise College for Girls J Okokon, Trustee (appointed 9 December 2019)
<b>Senior Management Team</b>	
<b>CEO and Accounting Officer of The Manor Trust</b>	A Compton
<b>Headteacher NMBEC</b>	A Compton (retired as Headteacher on 31 August 2020)
<b>Headteacher KAPS</b>	C Cranham
<b>Deputy Headteacher NMBEC</b>	T Scarsbrook
<b>Deputy Headteacher NMBEC</b>	C Evans (retired 31 August 2020)
<b>Deputy Headteacher NMBEC</b>	M Hayden (until 31 August 2020)
<b>Headteacher NMBEC</b>	M Hayden (from 1 September 2020)
<b>Deputy Headteacher KAPS</b>	G Chamberlain
<b>Assistant Headteacher NMBEC</b>	V Hardwick
<b>Assistant Headteacher NMBEC</b>	C Roberts (resigned 31 August 2020)
<b>Assistant Headteacher NMBEC</b>	A Ryder-Owen (until 31 August 2020)
<b>Deputy Headteacher NMBEC</b>	A Ryder-Owen (from 1 September 2020)
<b>Deputy Headteacher NMBEC</b>	M Collins (from 1 September 2020)
<b>Deputy Headteacher NMBEC</b>	N Campbell (from 1 September 2020)
<b>Assistant Headteacher KAPS</b>	Teresa Jones (from 1 September 2020)
<b>Assistant Headteacher KAPS</b>	Justine Bristow (from 1 September 2020)
<b>School Business Manager NMBEC and CFO of The Manor Trust</b>	W Kinnon
<b>Company Secretary</b>	R Lowe

## Reference and administrative information

<b>Operating address</b>	Norbury Manor Business and Enterprise College Kensington Avenue Thornton Heath Croydon Surrey CR7 8BT
<b>Registered address</b>	Norbury Manor Business and Enterprise College Kensington Avenue Thornton Heath Croydon Surrey CR7 8BT
<b>Company registration number</b>	07843573 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	National Westminster Bank plc 1393 London Road Norbury London SW16 4XF  Metro Bank One Southampton Row London WC1B 5HA

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

The financial statements have been prepared in accordance with the accounting policies set out on pages 32 to 37 of the attached financial statements and comply with the Academy Trust's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. It was incorporated in November 2011 and under the terms of a Funding Agreement entered into with the Secretary of State for Education, became an academy on 1 January 2012. On 1 February 2019, Kensington Avenue Primary School transferred into the Academy Trust from the Local Authority and the Academy Trust changed its name to The Manor Trust which consists of the two Schools. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees are also the directors of the charitable company for the purposes of company law.

### **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 charitable company shall be indemnified out of the assets of the charitable company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement 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 charitable company.

### **Principal activities**

The main objective of the Academy Trust is to provide a high-quality education in Croydon and the surrounding area. The Academy Trust aims to develop students as well-rounded individuals who will become active citizens of the future.

**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

**Trustees**

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006. The table below shows the Trustees who were in office at 31 August 2020 and served throughout the year except where shown.

<b>Trustee</b>	<b>Position on board</b>	<b>Appointed/Resigned</b>
A Chambers	Trustee and Vice Chair of the Board of Trustees	
J Chandler	Chair of the Audit Committee	
A Compton	CEO and Accounting Officer of The Manor Trust	
	Headteacher of Norbury Manor Business and Enterprise College for Girls	Retired as Headteacher on 31 August 2020
C Cranham	Headteacher of Kensington Avenue Primary School	
R McIntosh	Chair of Audit Committee and member of the Local Governing Body of Kensington Avenue Primary School	
M Miller	Trustee	Resigned 24 August 2020
D Ogg	Chair of Board of Trustees and Member of the Audit Committee	
M Turner	Chair of Local Governing Body at Norbury Manor Business and Enterprise College for Girls	
J Okokon	Trustee	Appointed 9 December 2019

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

Subject to any change in policy from time to time or where circumstances merit a different approach, the Trust Board will be constituted up to a maximum of 11 as follows:

- ◆ 2 Leadership Trustees (usually the CEO ex officio and Headteacher);
- ◆ 1 Governor from each Local Governing Body; and
- ◆ Trustees (appointed on the basis of a required skill set for the Trust Board).

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

During the period under review the Trustees held six meetings of the board and additional sub-committees. The training and induction provided for new Trustees will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new Trustees are given a tour of the Academy Trust and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and as the directors of the charitable company.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Organisational structure**

The charitable company has established a management structure to enable its efficient running. The structure consists of:

- ◆ The Trust Board (including an audit committee);
- ◆ The Local Governing Bodies; and
- ◆ The Senior Management Teams in each School.

The Trust Board has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders and terms of reference.

Trustees are responsible for setting general policy, adopting an annual plan and 5-year budget plan, monitoring the charitable company by use of budgets and making major decisions about the direction of the charitable company, including capital expenditure and senior staff appointments.

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

The key management personnel are considered to be the Trustees, the Local Governing Bodies of each of the two Schools and the Senior Management Team. Trustees and Local Governors are not remunerated for their roles as trustees or governors. All staff (including senior management) are subject to the Academy Trust's performance management pay policy. Senior staff are assessed against leadership standards, their own personal targets, the outcomes for their students in lesson observations. Personal targets are linked to the whole School targets from the Development Plan and the performance management review process has been fully interrogated by the Trustees.

### **Trade union facility time**

There were no employees who were relevant union officials during the relevant period (2019 – none).

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

The principle object and activity is to raise the standard of educational achievement for all pupils.

The Academy Trust aims to:

- ◆ support the development of every individual by providing opportunities and experiences that will support the development of the students' understanding and knowledge in a broad range of subjects while supporting the students through a strong pastoral system that values the diversity of the students and recognises each individual's needs;
- ◆ ensure it is involved with a wide range of stakeholders and that students understand their part and participate in local, national and international communities;

## **OBJECTIVES AND ACTIVITIES** (continued)

### **Objects and aims** (continued)

- ◆ ensure that the facilities it has are used to support its students and the local community; and
- ◆ provide value for money for the funds expended and to ensure that all statutory requirements are met.

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

The charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy Trust and that the curriculum should comply with the substance of the national curriculum.

### **Activities for achieving objectives**

The key activity for the year ended 31 August 2020 was the general running of the Academy Trust.

### **Public benefit**

The Academy Trust's object is "to advance for the public benefit education in the United Kingdom, in particular and without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Schools offering a broad and balanced curriculum" (Articles of Association).

In setting the Academy Trust's objectives and planning its activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

## **STRATEGIC REPORT**

### **Review of activities**

Both Schools are focussed on delivering outstanding teaching that meets the needs of all pupils within the schools.

This year has been completely overshadowed by Covid-19 and during this, the Academy Trust has ensured that its schools remained open for keyworker children and vulnerable students and that pupils/students were supported with home learning. The well-being of staff and pupils/students remained a primary focus and this was done remotely by staff throughout the closure and schools maintained links with external agencies. The schools partially closed from March 2020 and there were no external exams or assessments for any students as a result of this (i.e. no SATs, GCSE or A level exams) which would previously have been used to make judgements about the schools performance.

The trust ensured that financial authorisation processes were amended to ensure that they allowed for remote working while retaining a robust process and undertook a range of adaptations to the schools to ensure compliance with Covid-19 DfE requirements.

## **STRATEGIC REPORT** (continued)

### **Review of activities** (continued)

At Kensington Avenue Primary School (KAPS) there is a clear focus on inclusive practice and ensuring they receive a broad and balanced curriculum that promotes the School's Together Everyone Achieves More (TEAM) ethos. This is underpinned by extracurricular activities and 'deep learning' that ensures a whole School approach to learning.

Norbury Manor Business and Enterprise College for girls (NMBEC) continues to focus on supporting staff development and the initial teacher training programme. In the School, there is a clear focus on pastoral support for students and ensuring they are offered a wide range of extra-curricular activities alongside our own "Deep Learning Days" to promote independence and a love of learning.

### **Outcomes for pupils**

The Academy Trust has been focusing on delivering the highest quality teaching that stretches and challenges all students.

At KAPS, they have a particular focus on pupils working at greater depth. This has been reflected in the KS2 SATs results over the last three years being at least in line with national average and strong progress measures.

Support is provided to those with Special Educational Needs and Disability (SEND) through in-class and out of lesson support and the provision of a range of interventions. Students are tracked carefully through the academic year with interventions put in place when required.

- ◆ Outcomes at EYFS and KS1 have improved, although the baseline of pupils upon entry is low compared to age related expectation, underpinning the good progress pupils make during their time in the School.
- ◆ The School has been successful in "narrowing the gap" for disadvantaged students throughout the School.

NMBEC has developed a more focused approach to ensure that stretch and challenge is provided to more able, gifted and talented students and this is reflected in the improved results of more able students. Support was provided to the less able through in-class and out of lesson support and the provision of a range of intervention and support that is led by a senior member of staff. Students are tracked carefully through both Key Stage 3 and 4 and appropriate and effective interventions put in place when required. Careful monitoring continues throughout the 6<sup>th</sup> form.

With no external examinations taking place the school staff worked hard to provide centre assessed grades for students at both A level and GCSE, moderation was extensive and a checking process was used to ensure transparency and consistency.

## **STRATEGIC REPORT** (continued)

### **Review of activities** (continued)

#### ***Outcomes for pupils*** (continued)

Results in 2020 at GCSE showed 83% of students gaining at least a grade 4 or better in both Maths and English (these are based on the best of either centre assessed grades or the grades calculated through the exam boards algorithm). The School is also judged on the progress students make from KS2 to KS4 and data from 2019 (2020 data is not being published due to Covid-19) would show the school sits in the top 15% of schools in the country.

#### ***Quality of teaching, learning and assessment***

At KAPS, this is carefully monitored and evaluated as part of the drive from good towards outstanding practice. There is a robust system of monitoring in place to develop consistency across the School and respond to the needs that arise. This is reviewed at all levels from School leaders, the local governing body, to the Academy Trust. The whole School development plan is underpinned by Key Performance Indicators (KPIs) that are linked to data and outcomes - these are reviewed by (Red-Amber-Green) RAG rating termly based upon evidence presented and analysed.

At NMBEC, this has been carefully monitored and evaluated as part of the drive towards excellence. There is a robust system in place to develop consistent lesson observations that focus on development that is reviewed regularly by the senior leadership, Governors and Trustees. The School has supported this work by external verification of lesson judgements. The percentage of lessons judged as "Outstanding" has now risen to over 50%.

#### ***Personal Development, Behaviour and Welfare***

Both schools recognised the challenge that the partial closure put on its families and children and ensured that support was provided, welfare calls made and suitable material provided during home learning to support well-being.

KAPS ensures that pupils have a full range of opportunities to develop throughout the curriculum with a focus on PSHE lessons, assemblies. The School Council has opportunities to discuss and influence a range of subjects from school dinners to the annual naming of classes. Staff have regular access to safeguarding training and work with external agencies to provide a holistic approach to its students' welfare.

NMBEC ensures that students have a full range of support in their PSHE lessons, assemblies, through P4C (Philosophy for Children), in subject classes and by undertaking a range of staff training to cover relevant issues that students may face (e.g. FGM, CME, forced marriage, radicalisation, autism, hearing difficulties, achondroplasia) and through the input from the pastoral structure that includes Heads of Year, Pastoral Leaders, Mentors, Learning Support Assistants (LSAs) and Teaching Assistants (TAs). The School engages with external agencies to provide a holistic approach to its students' welfare.

## **STRATEGIC REPORT** (continued)

### **Review of activities** (continued)

#### ***Early Years - KAPS***

The EYFS team is integral to KAPS and staff work within the EYFS framework to deliver the curriculum. This too was graded as Good in the 2017 OFSTED. The birth rate has dipped in recent years and this has impacted on student numbers dropping from 2016-17 but numbers have risen since September 2018, although spaces are available. The impact of Covid-19 and changes within the local area regarding housing means that the place allocation for 2020-21 has been working to a different schedule and the full take up of places in the current Reception. Marketing the School is a key priority for both the Nursery and Reception classes. The nursery takes full-time pupils in response to the needs of working parents.

#### ***The Enhanced Learning Provision (ELP) - KAPS***

KAPS has places for 18 students in the ELP and these are spread across the year groups, this provision is staffed by two full time teachers and 4 Teaching Assistants and all students have an Education, health and Care Plan (EHCP) and a diagnosis of autism. There is a contract with the LA to deliver this and is subject to monitoring in addition to that of the School. The ELP has been operational since 2013.

#### ***Children's Centre - KAPS***

KAPS has responsibility for the Children's Centre service for the north of the Borough of Croydon. This is currently due for review under the commissioning process. There is a Children's Centre on site and we manage two other Children's Centres at Ecclesbourne and Winterbourne Schools and this is currently funded through a contract with Croydon that is being extended over the short term. These provide a wide range of services for parents and young children and use internal staff as well as other external agencies such as health. There are quarterly reviews of the service plan held with the Local Authority and the service is held to account separately to the School for this.

#### ***Effectiveness of 16-19 study programmes – NMBEC***

NMBEC sixth form offers a broad range of A levels and vocational qualifications. Results in 2020 ensured that students were able to move on to a university of their choice with more students than ever before gaining places at Russell group universities. Students were affected by the Government U turn on the setting of grades with students being issued 3 sets of results over a period of 2 weeks

#### ***Effectiveness of Leadership and Management***

Across the Academy Trust, Local Governing Bodies (LGBs) and leadership teams are clear about the aims of the Academy Trust and support fully its development, they hold staff to account and also undertake relevant training. Robust self-evaluation drives the schools' improvement plans and all stakeholders play a part in this process. Relevant training is provided.

## **STRATEGIC REPORT** (continued)

### **Review of activities** (continued)

#### ***Effectiveness of Leadership and Management*** (continued)

KAPs was inspected in May 2017 and was graded "Good", an improvement from the "Requires Improvement" from the 2015 inspection. The School is working to strengthen leadership at every level and so uses Continual Professional Development (CPD) to support staff, teachers and TAs to develop and innovate on what we offer and how we support pupils and families.

NMBEC was last inspected in June 2017 and was graded "Good" in all categories but a recent review by the Local Authority graded the School "Outstanding".

Both schools have worked tirelessly to meet the demands that Covid-19 has placed on them and the communities they serve. Remaining open for keyworker children and vulnerable students, ensuring that students home learning is supported through online and paper resources as well as sending packs of materials home for exam students taking practical subjects has ensured learning has taken place.

#### ***Ethos, strategy and policies***

The Academy Trust has the following mission statement:

We are ambitious for our Schools, our students, their families and our local community because we believe that there is no limit to what can be achieved by anyone. We want to work together to challenge, share best practice and support each other whilst maintaining each School's own distinctive identity.

*"Primary responsive, Secondary ready, prepared for life."*

At KAPS the mission statement is based around Together Everyone Achieves More (TEAM).

*"Kensington Avenue Primary School is a place for pupils and their families to learn and grow together. We embrace all our different cultures that make us unique, coming together to make a community, aiming to achieve excellence. We will ensure that our children become confident learners, thinking independently and keen to find out more in an ever changing world."*

NMBEC has the following mission statement:

*"Norbury Manor is a unique community where all students and staff are valued as individuals. We draw strength from our diversity and take pride in our cultural richness and utilise both in preparing students to embrace their places in the local and global communities."*

## **STRATEGIC REPORT** (continued)

### **Review of activities** (continued)

#### ***Ethos, strategy and policies*** (continued)

*At Norbury Manor, we aim to enable all students to live full and active lives. We promote the value of knowledge and push every student to fulfil their academic potential. We are committed to providing a curriculum which helps to develop self-confidence, healthy living and strong communication and leadership skills.*

*We are dedicated to preparing students for the future – to developing confident, motivated and resilient independent learners. NMBEC students are encouraged to establish a strong sense of self-worth; they become articulate young adults who are both creative and enterprising.”*

### **Financial review**

#### ***Financial report for the year***

The results for the period are shown on page 28.

Total income for the year ended 31 August 2020 amounted to £10,640,000 (2019: £13,870,000).

The bulk of income was receivable from the Education and Skills Funding Agency (ESFA), an agency of the Department for Education, the use of which is restricted to particular educational purposes. The grants received from the ESFA in the year ended 31 August 2020 and the associated expenditure are shown as restricted fund movements in the statement of financial activities.

Total expenditure for the year ended 31 August 2020 (after depreciation and adjustments in respect of the Local Government Pension Scheme (LGPS) liability) was £10,797,000 for the two Schools (2019: £9,294,000). Net expenditure for the year (before actuarial losses on the pension scheme) was therefore £157,000 (2019: net income of £4,576,000). After accounting for the actuarial loss on the defined benefit pension schemes of £142,000 (2019: loss of £807,000) the overall net decrease in fund balances was £299,000 (2019: increase of £3,769,000).

Operationally, excluding movements on the restricted fixed assets fund, one-off income earned on the conversion of new schools, and any accounting adjustments made in respect of the defined benefit pension scheme, the operational surplus for the year was £635,000 (2019: operational surplus of £251,000).

The Trust undertook a range of expenditure necessary to ensure the schools were fully Covid-19 safe including, providing hand sanitiser, fogging machines, additional cleaning, one way systems, infra structure for remote learning and PPE for staff. The pandemic did result in the loss of lettings income but the schools have been able to claim for some additional costs from the DfE.

## **STRATEGIC REPORT** (continued)

### **Financial review** (continued)

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

The Academy Trust held fund balances at 31 August 2020 of £22,494,000 (2019: £22,793,000) comprising £1,086,000 (2019: £1,083,000) of unrestricted general funds, and £21,408,000 (2019: £21,710,000) of restricted funds which includes the pension reserve deficit of £3,905,000 (2019: £3,225,000) and £781,000 of restricted general funds (2019: £nil).

The Academy Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,086,000 (2019: £1,083,000).

The Trust Board agreed a Reserves Policy for Kensington Avenue Primary School of £150,000 and a Reserves Policy for Norbury Manor Business and Enterprise College for Girls of £250,000. The Trust Board plan to review the reserves levels in the New Year. Planned expenditure for the year was delayed due to the pandemic and while the schools have a healthy level of reserves much of this is already earmarked for further improvements to the ICT infra structure at NMBEC and additional building works across both schools in line with the Trust's Estates Management Plan.

The free reserves balance at 31 August 2020 of £1,086,000 (2019: £1,083,000) is adequate to fulfil the obligations of the Academy Trust and provide a balance against most unforeseen future events. To achieve the development plan objectives and for other major projects, the Academy Trust remains dependent on the provision of additional fixed asset grants from the ESFA.

The deficit on the pension fund relates to the Academy Trust's share of the obligations under the Local Government Pension Scheme (LGPS). Any cash flows as a result of this deficit will occur over a number of years.

#### **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. It has made the assessment in particular with regard to a period of no less than one year from the date of approval of the accounts. Further details regarding the adoption of the going concern basis can be found in the Principal Accounting Policies on page 32.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Schools and their 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.

In addition to the risks faced due to the Covid-19 pandemic as discussed throughout the report, the most significant risks to the Academy Trust are considered to be:

### **A fall in student numbers**

This is addressed by keeping track of any publicity relating to the Schools and by ensuring that they are maintaining their quality of provision to remain Schools of choice in the area. Demographic factors mean there is a fall in primary age children and this is reflected in a small reduction in numbers at KAPS this year and only two forms in two year groups. NMBEC is oversubscribed in most year groups.

### **A significant short notice fall in government funding**

This is considered to be addressed through the Academy Trust's reserves policy as detailed on page 12. The newly introduced "Fairer Funding Formula" recognises that there has been a level of underfunding in recent years and from September 2018 the Academy Trust received an increase in its per student funding.

The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

## **FUNDRAISING**

When new students join the Academy Trust, parents are asked to make an unrestricted donation to support the work of the Academy Trust. This is an entirely voluntary contribution and no pressure is placed on parents to participate. The Academy Trust has not received any complaints about its fundraising activity.

The Academy Trust does not make direct approaches to the general public for fundraising purposes, nor does it actively seek to engage with individuals.

The Academy Trust does not engage any third-party professional fundraisers to fundraise on its behalf. From time-to-time, individuals may independently undertake to raise funds on our behalf, however such activities are undertaken independently of the Academy Trust.

Throughout the course of the year, students may raise funds for a range of external charities, but the Academy Trust's only involvement in this activity is to facilitate the fundraising by collecting and disbursing the monies raised.

**PLANS FOR FUTURE PERIODS**

The Trust will continue to raise the educational outcomes within its schools, support its staff, pupils/students, families and the community it serves while looking to pursue an organic growth strategy that builds upon the Trust's vision and mission.

**AUDITOR**

In so far as the Trustees are aware:

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

Trustees report, incorporating a strategic report, approved by order of the members of the Board of Trustees on 7 December 2020 and signed on its behalf by:

  
Trustee

Desmond Ogg

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

### **Scope of responsibility**

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

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

### **Governance**

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The constitution of the Governance changed on the 1 February 2019 when The Manor Trust was established. The Trust Board established an Audit Committee and two Local Governing Bodies, one for KAPS and one for NMBEC with a clear scheme of delegation. The Trust Board met for a total of six times during the year ended 31 August 2020. Attendance during the year to 31 August 2020 at the Trust Board meetings was as follows:

<b>Trustee</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
A Chambers	6	6
J Chandler	6	6
A Compton	6	6
C Cranham	6	6
R McIntosh	6	6
M Miller (resigned 24 August 2020)	5	6
D Ogg	6	6
M Turner	6	6
J Okonon (appointed 9 December 2019)	3	3

### **Governance reviews**

Following the establishment of the MAT, the whole governance structure was significantly revised, it is laid out in the scheme of delegation that the Trust Board, Audit Committee and Local Governing Bodies will review annually their working practices and this is planned for a review day in January 2021.

The Trustees intends to continue with an annual review as part of its annual development day.

**Governance** (continued)

**Audit Committee**

The Audit Committee is a sub-committee of the main Trust Board for The Manor Trust. Its purpose is to make sure that the Academy Trust is following the ESFA's financial regulations.

The Audit Committee met for a total of 5 times during the year ended 31 August 2020. Attendance at meetings during this period was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
R McIntosh	5	5
J Chandler	5	5
D Ogg	5	5

**Review of Value for Money**

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available.

Covid-19 has meant that changes have been made to processes but authorisation and accountability process have been maintained. Remote working has been taking place and this ensured that payments could be maintained and the schools have continued to work closely with their suppliers throughout the pandemic. Procurement processes have also been maintained and this has ensured that value for money has been delivered.

The Accounting Officer for the Academy Trust has delivered and improved value for money during the year in the following ways:

**Staffing**

The Academy Trust has reviewed its staffing costs for both teachers and support staff to identify savings. This has been achieved organically without the need for restructuring and benefits have been found by working across both Schools.

**Students**

The Academy Trust supports students academically and through a pastoral system in both of its Schools. The Local Governing Bodies have a designated a link safeguarding governor and visits take place to both during the school day. A full Safeguarding Audit is undertaken by the Local children's safeguarding Board annually of all schools and this is fully completed by both schools.

### **Review of Value for Money** (continued)

#### ***Facilities***

The Academy Trust has sought to improve its facilities over time and within the budgetary constraints and the priority has been to enhance the delivery of the curriculum. There are regular external health and safety checks carried out and a programme of estates planning is underway across the MAT.

#### ***Collaboration***

The Academy Trust values its role in the local community and has taken part in:

- ◆ Both Headteachers attend regular Local Authority briefings and liaise with other Headteachers in the area;
- ◆ The CEO is the vice chair of Croydon Secondary Fair Access Panel;
- ◆ Norbury Manor Business and Enterprise College for Girls is a member of Partners in Excellence (PiXL) and staff support other schools across the group;
- ◆ Kensington Avenue Primary School has employed Teach First student teachers and Norbury Manor Business and Enterprise College for Girls works closely with education providers and take around 17 students for each placement of the PGCE as well as supporting staff in School on Schools Direct, an assessment only route to full teacher accreditation; and
- ◆ Norbury Manor Business and Enterprise College for Girls is part of Coast to Capital which is a unique business-led collaboration between the private, public and education sectors across a diverse area which includes Croydon, East Surrey, Brighton and Hove, Lewes and West Sussex.

#### ***Outcomes***

Students do very well at the Kensington Avenue Primary School and this is demonstrated through the percentage of students achieving national standards in reading, writing and maths. Norbury Manor Business and Enterprise College for Girls uses the Progress8 measure and this is a significant positive.

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

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

### **Capacity to handle risk**

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

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

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Audit Committee and the Board of Trustees;
- ◆ regular reviews by the Audit Committee of reports which indicate financial performance against forecasts and major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance including benchmarking against local and national data;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties; and
- ◆ identification and management of risks.

The Board of Trustees appointed Buzzacott LLP to carry out their internal scrutiny. This was done by the CEO and Audit Committee and a full scope of works was agreed for this.

This assurance work included giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the auditor reported to the Board of Trustees, through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Reports covering all terms were received by the Audit Committee. No significant issues have been raised.

Following the revised FRC Ethical Standard, The Manor Trust has appointed a separate accounting firm – Wilkins Kennedy to act as internal auditors with effect from 1 September 2020. An annual scheme of work, linking to the risk register will be drawn up by the Audit and Risk Committee in conjunction with Wilkins Kennedy.

The internal auditors will prepare a report at least twice yearly showing their findings and any recommendation for the Audit committee to consider. A copy will also be presented at the following Trust Board meeting.

**The risk and control framework** (continued)

Internal scrutiny and the risk register are standing agenda items for the Audit and Risk Committee. This Committee acknowledges its responsibilities to review both financial and non-financial controls. The risk register will also be reviewed annually by the Trust board.

**Review of effectiveness**

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

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

The Accounting Officer has advised the Audit Committee of the implications of her review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



**(Trustee)**

Desmond Ogg



**(Accounting Officer)**

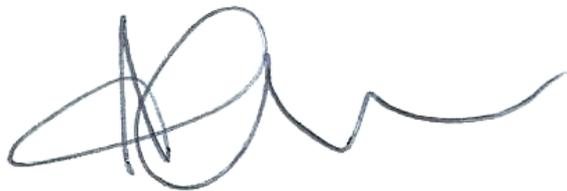
Amanda Compton

**Statement of regularity, propriety and compliance** 31 August 2020

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

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

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

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end.

**Accounting Officer**

Amanda Compton

Date: 7 December 2020

## Statement of Trustees' responsibilities 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 Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP (FRS 102) and the Academies Accounts Direction 2019 to 2020;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust 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 Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

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



Desmond Ogg

Chair of Trustees

**Independent auditor's report to the Members of The Manor Trust**

**Opinion**

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

In our opinion, the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information (covers the Reference and Administrative Details, the Report of the trustees and Strategic Report and the Governance Statement)**

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

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records 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; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

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

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

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

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

**Auditor's responsibilities for the audit of the financial statements** (continued)

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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



Catherine Biscoe (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

9 December 2020

**Independent reporting accountant's assurance report on regularity to The Manor Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 23 July 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Manor Trust during the period from 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Manor Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Manor Trust's funding agreement with the Secretary of State for Education dated 1 January 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

**Approach** (continued)

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

The work undertaken to draw to our conclusion includes:

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

**Conclusion**

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



Reporting Accountant  
Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

9 December 2020

**Statement of financial activities (including income and expenditure account)** Year to 31 August 2020

	Notes	Unrestricted general fund £'000	Restricted general fund £'000	Restricted fixed assets fund £'000	<b>31 August 2020 Total funds £'000</b>	31 August 2019 Total funds £'000
<b>Income from:</b>						
Donations and capital grants	1	—	—	32	<b>32</b>	52
Transfers from Local Authority on conversion	22	—	149	—	<b>149</b>	4,997
Charitable activities						
. Funding for the Academy Trust's educational operations	4	100	10,119	—	<b>10,219</b>	8,391
Other trading activities	2	216	21	—	<b>237</b>	427
Investments	3	3	—	—	<b>3</b>	3
<b>Total income</b>		<b>319</b>	<b>10,289</b>	<b>32</b>	<b>10,640</b>	<b>13,870</b>
<b>Expenditure on:</b>						
Charitable activities						
. Academy Trust's educational operations	6	316	10,046	435	<b>10,797</b>	9,294
<b>Total expenditure</b>	5	<b>316</b>	<b>10,046</b>	<b>435</b>	<b>10,797</b>	<b>9,294</b>
<b>Net income (expenditure)</b>		<b>3</b>	<b>243</b>	<b>(403)</b>	<b>(157)</b>	<b>4,576</b>
<b>Other recognised losses</b>						
Actuarial losses on defined benefit pension scheme	19	—	(142)	—	<b>(142)</b>	(807)
<b>Net movement in funds</b>		<b>3</b>	<b>101</b>	<b>(403)</b>	<b>(299)</b>	<b>3,769</b>
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2019		1,083	(3,225)	24,935	<b>22,793</b>	19,024
<b>Total fund balances carried forward at 31 August 2020</b>	15	<b>1,086</b>	<b>(3,124)</b>	<b>24,532</b>	<b>22,494</b>	22,793

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

All recognised gains and losses are included in the above statement of financial activities.

**Balance sheet** 31 August 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Fixed assets</b>					
Tangible fixed assets	12		<b>24,507</b>		24,935
<b>Current assets</b>					
Stock		<b>32</b>		4	
Debtors	13	<b>544</b>		592	
Cash at bank and in hand		<b>1,819</b>		951	
		<b>2,395</b>		1,547	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	<b>(503)</b>		(464)	
<b>Net current assets</b>			<b>1,892</b>		1,083
<b>Total net assets excluding pension scheme liability</b>			<b>26,399</b>		26,018
Pension scheme liability	19		<b>(3,905)</b>		(3,225)
<b>Total net assets</b>			<b>22,494</b>		22,793
<b>The funds of the Academy Trust</b>					
Restricted income funds					
. Fixed assets fund			<b>24,532</b>		24,935
. Restricted income fund			<b>781</b>		—
. Pension reserve			<b>(3,905)</b>		(3,225)
<b>Total restricted funds</b>			<b>21,408</b>		21,710
Unrestricted income funds					
. General fund			<b>1,086</b>		1,083
<b>Total funds</b>	15		<b>22,494</b>		22,793

The financial statements on page 28 to 53 were approved by the Trustees, and authorised for issue on 7 December 2020 and are signed on their behalf by:



Desmond Ogg

Chair of Trustees

The Manor Trust

Company Limited by Guarantee

Registration Number: 07843573 (England and Wales)

Statement of cash flows 31 August 2020

		31 August 2020 £'000	31 August 2019 £'000
<b>Net cash flow from operating activities</b>			
Net cash provided by operating activities	A	840	57
<b>Cash flows from investing activities</b>			
	B	28	3
<b>Cash flows from conversion</b>			
		—	483
<b>Change in cash and cash equivalents in the year</b>		868	543
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Cash and cash equivalents at 1 September 2019		951	408
<b>Cash and cash equivalents at 31 August 2020</b>		<b>C 1,819</b>	951

**A Reconciliation of net (expenditure) income to net cash flow from operating activities**

		31 August 2020 £'000	31 August 2019 £'000
<b>Net (expenditure) income for the year (as per the statement of financial activities)</b>			
		(157)	4,576
<b>Adjusted for:</b>			
Inherited on conversion (note 22)		—	(4,997)
Depreciation (note 12)		435	427
Capital grants from DfE and other capital income (note 1)		(32)	(52)
Interest receivable (note 3)		(3)	(3)
Defined benefit pension scheme cost less contributions payable (note 19)		475	245
Defined benefit pension scheme finance cost (note 19)		63	52
(increase) decrease in stocks		(28)	1
Increase in debtors		48	267
Decrease (increase) in creditors		39	(459)
<b>Net cash provided by operating activities</b>		<b>840</b>	57

**B Cash flows from investing activities**

	2020 £'000	2019 £'000
Dividends, interest and rents from investments	3	3
Purchase of tangible fixed assets	(7)	(52)
Capital grants from DfE/ESFA	32	52
<b>Net cash provided by investing activities</b>	<b>28</b>	3

**C Analysis of cash and cash equivalents**

	2020 £'000	2019 £'000
Cash at bank and in hand	1,819	951
<b>Total cash and cash equivalents</b>	<b>1,819</b>	951

**Statement of cash flows** 31 August 2020

**D Analysis of changes in net debt**

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
<b>Total: cash</b>	951	868	<b>1,819</b>

## Principal accounting policies Year to 31 August 2020

### Statement of accounting policies

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

### Basis of preparation

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

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

### Going concern

The Trustees assess whether the use of the going concern basis 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 Academy 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 in light of the Covid-19 pandemic and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Income

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

### Grants

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

The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

**Income** (continued)

***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.

***Transfers on conversion***

Where assets and liabilities are received by the Academy Trust on the conversion of a school to an academy, the assets and liabilities inherited from the relevant Local Authority are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

***Other income***

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

**Expenditure**

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

***Charitable activities***

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

All resources expended are stated net of recoverable VAT.

## Principal accounting policies Year to 31 August 2020

### Tangible fixed assets

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

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

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

◆ Freehold buildings	2%
◆ Fixtures, fittings and equipment	20%
◆ IT equipment	33%

Depreciation is charged from the month of acquisition.

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.

### Liabilities

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

### Leased assets

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

### Financial instruments

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

## Principal accounting policies Year to 31 August 2020

### **Financial instruments** (continued)

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as. 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. 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.

### **Stock**

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

### **Taxation**

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**Pensions benefits** (continued)

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

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

**Fund accounting**

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

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

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

**Critical accounting estimates and areas of judgement**

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

***Critical accounting estimates and assumptions***

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

The useful economic lives of tangible fixed assets have been estimated in line with the policy on page 34.

**Critical accounting estimates and areas of judgement** (continued)

***Critical accounting estimates and assumptions*** (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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.

The Academy Trust has estimated the impact of the Covid-19 pandemic on the future income and expenditure flows of the charity and on its short to medium term financial stability in assessing going concern.

***Critical areas of judgement***

No judgements have been made which are considered to have a significant effect on these financial statements.

Notes to the Financial Statements Year to 31 August 2020

**1 Donations and capital grants**

	Restricted fixed asset funds	
	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Capital grants	<b>32</b>	52

**2 Other trading activities**

	Unrestricted funds £'000	Restricted funds £'000	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Hire of facilities/lettings income	52	—	<b>52</b>	91
Trip income	—	21	<b>21</b>	30
Catering income	161	—	<b>161</b>	248
Miscellaneous income	3	—	<b>3</b>	58
	<b>216</b>	<b>21</b>	<b>237</b>	<b>427</b>

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<i>Hire of facilities/lettings income</i>	91	—	91
<i>Trip income</i>	—	30	30
<i>Catering income</i>	248	—	248
<i>Miscellaneous income</i>	58	—	58
	<b>397</b>	<b>30</b>	<b>427</b>

**3 Investment income**

	Unrestricted funds	
	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Interest receivable	<b>3</b>	3

**4 Funding for Academy Trust's educational operations**

	Unrestricted funds £'000	Restricted funds £'000	<b>2020 Total funds £'000</b>	2019 Total funds £'000
<b>DfE / ESFA grants</b>				
. General Annual Grant (GAG)	—	8,508	<b>8,508</b>	7,372
. Other DfE / ESFA grants	—	1,292	<b>1,292</b>	794
	—	9,800	<b>9,800</b>	8,166
<b>Other Government grants</b>				
. Local authority grants SEN	—	226	<b>226</b>	143
	—	226	<b>226</b>	143
<b>Exceptional government funding</b>				
Coronavirus exceptional support	—	93	<b>93</b>	—
	—	93	<b>93</b>	—
Other income from the Academy Trust's educational operations	100	—	<b>100</b>	82
	100	10,119	<b>10,219</b>	8,391

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<i>DfE / ESFA grants</i>			
. General Annual Grant (GAG)	—	7,372	7,372
. Other DfE / ESFA grants	—	794	794
	—	8,166	8,166
<i>Other Government grants</i>			
. Local authority grants SEN	—	143	143
	—	143	143
<i>Other income from the Academy Trust's educational operations</i>	82	—	82
	82	8,309	8,391

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 £93,000 of various premises and cleaning costs. These costs are included in notes 5 and 6 below as appropriate.

Notes to the Financial Statements Year to 31 August 2020

5 Expenditure

	Staff costs (note 8) £'000	Premises £'000	Other £'000	2020 Total funds £'000	2019 Total funds £'000
<b>Charitable activities</b>					
Academy Trust's educational operations:					
. Direct costs	7,366	291	589	<b>8,246</b>	7,034
. Allocated support costs	1,440	436	675	<b>2,551</b>	2,260
	<b>8,806</b>	<b>727</b>	<b>1,264</b>	<b>10,797</b>	<b>9,294</b>
	Staff costs (note 8) £'000	Premises £'000	Other £'000		2019 Total funds £'000
<i>Charitable activities</i>					
<i>Academy Trust's educational operations:</i>					
. Direct costs	6,151	283	600		7,034
. Allocated support costs	1,056	342	862		2,260
	<b>7,207</b>	<b>625</b>	<b>1,462</b>		<b>9,294</b>
				2020 Total funds £'000	2019 Total funds £'000
<b>Net income (expenditure) for the year includes:</b>					
Operating lease rentals				<b>24</b>	26
Depreciation				<b>435</b>	427
Fees payable to auditor for					
. Audit				<b>22</b>	20
. Other services				<b>5</b>	6

**6 Charitable activities – Academy Trust's educational operations**

	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Direct costs	<b>8,246</b>	7,034
Support costs	<b>2,551</b>	2,260
	<b>10,797</b>	9,294

	<b>2020 Total funds £'000</b>	2019 Total funds £'000
<b>Analysis of support costs</b>		
Support staff costs	<b>1,440</b>	1,056
Depreciation	<b>145</b>	142
Technology costs	<b>52</b>	40
Premises costs	<b>436</b>	342
Legal costs	<b>1</b>	—
Other support costs	<b>450</b>	654
Governance costs	<b>27</b>	26
<b>Total support costs</b>	<b>2,551</b>	2,260

**7 Comparative information**

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

	Unrestricted general fund £'000	Restricted general fund £'000	Restricted fixed assets fund £'000	<b>2019 Total funds £'000</b>
<b>Income from:</b>				
Donations and capital grants	—	—	52	<b>52</b>
Transfers from Local Authority on conversion	505	(808)	5,300	<b>4,997</b>
Charitable activities				
. Funding for the Academy Trust's educational operations	82	8,309	—	<b>8,391</b>
Other trading activities	397	30	—	<b>427</b>
Investments	3	—	—	<b>3</b>
<b>Total income</b>	<b>987</b>	<b>7,531</b>	<b>5,352</b>	<b>13,870</b>
<b>Expenditure on:</b>				
Charitable activities				
. Academy Trust's educational operations	231	8,636	427	<b>9,294</b>
<b>Total expenditure</b>	<b>231</b>	<b>8,636</b>	<b>427</b>	<b>9,294</b>
<b>Net income (expenditure)</b>	<b>756</b>	<b>(1,105)</b>	<b>4,925</b>	<b>4,576</b>
<b>Other recognised losses</b>				
Actuarial losses on defined benefit pension scheme	—	(807)	—	<b>(807)</b>
<b>Net movement in funds</b>	<b>756</b>	<b>(1,912)</b>	<b>4,925</b>	<b>3,769</b>
<b>Reconciliation of funds</b>				
Total fund balances brought forward at 1 September 2018	327	(1,313)	20,010	<b>19,024</b>
<b>Total fund balances carried forward at 31 August 2019</b>	<b>1,083</b>	<b>(3,225)</b>	<b>24,935</b>	<b>22,793</b>

## 8 Staff

### (a) Staff costs

Staff costs during the year were:

	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Wages and salaries	<b>6,268</b>	5,458
Social security costs	<b>623</b>	544
Pension costs	<b>1,732</b>	1,002
	<b>8,623</b>	7,004
Supply teacher costs	<b>183</b>	203
	<b>8,806</b>	7,207

### (b) Staff numbers

The average numbers of persons (including Senior Management Team) employed by the Academy Trust during the year expressed as average headcount was as follows:

<b>Charitable activities</b>	<b>2020 No.</b>	2019 No.
Teachers	<b>107</b>	95
Administration and support	<b>109</b>	121
Management	<b>10</b>	10
	<b>226</b>	226

### (c) Higher paid staff

The following number of employees had total remuneration (excluding employers' pension contributions and employer's national insurance contributions) above £60,000, within the following bands:

	<b>2020 No.</b>	2019 No.
£60,001 - £70,000	<b>4</b>	5
£70,001 - £80,000	<b>4</b>	3
£80,001 - £90,000	<b>1</b>	—
£100,001 - £110,000	<b>1</b>	1

Eight (2019: seven) of the above employees participated in the Teachers' Pension Scheme.

### (d) Key management personnel

The key management personnel are considered to be the Trustees, the Local Governing Bodies of each of the two Schools and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer's pension and national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,001,000 (2019: £753,000).

**9 Related party transactions – Trustees’ remuneration and expenses**

Some Trustees have been paid remuneration or have received other benefits from an employment with the Academy Trust. The Headteachers and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees’ remuneration and other benefits whilst a Trustee was as follows:

	<b>2020</b>	2019
	<b>£’000</b>	£’000
Amanda Compton, CEO and Accounting Officer of the Manor Trust and Headteacher of NMBEC (retired as Headteacher on 31 August 2020)		
. Remuneration	<b>105 – 110</b>	100 – 105
. Employer’s pension contributions	<b>25 – 30</b>	15 – 20
C Cranham, Headteacher of KAPS (from 1 February 2019)		
. Remuneration	<b>80 – 85</b>	45 – 50
. Employer’s pension contributions	<b>15 – 20</b>	5 – 10
Danielle Davis, Staff Governor of NMBEC (until 1 February 2019)		
. Remuneration	—	20 – 25
. Employer’s pension contributions	—	0 – 5
Patrick Harris, Staff Governor of NMBEC (until 1 February 2019)		
. Remuneration	—	15 – 20
. Employer’s pension contributions	—	0 – 5

No expenses were reimbursed to Trustees during the year (2019 – none).

**10 Trustees’ and Officers’ insurance**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover and for the year ended 31 August 2020 was included as part of the Academy Trust’s overall RPA insurance package (2019 - included as part of the Academy Trust’s overall RPA insurance package).

Other related party transactions involving the Trustees are set out in note 20.

## 11 Central services

The following central services were provided from 1 September 2019 to 31 August 2020: financial support services; and legal and professional support services.

The actual cost of each service is shared between the Schools within the Academy Trust on a percentage basis. The amounts charged to each school within the Academy Trust were as follows:

	2020 £'000	2019 £'000
Norbury Manor Business and Enterprise College	293	31
Kensington Avenue Primary School	52	20
	<b>345</b>	<b>51</b>

The comparative information for KAPs represents the 7 month period from 1 February 2019 to 31 August 2020.

## 12 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Total funds £'000
<b>Cost/valuation</b>					
At 1 September 2019	22,282	5,300	976	417	<b>28,975</b>
Additions	—	—	3	4	<b>7</b>
At 31 August 2020	<b>22,282</b>	<b>5,300</b>	<b>979</b>	<b>421</b>	<b>28,982</b>
<b>Depreciation</b>					
At 1 September 2019	2,819	21	829	371	<b>4,040</b>
Charge in year	369	36	24	6	<b>435</b>
At 31 August 2020	<b>3,188</b>	<b>57</b>	<b>853</b>	<b>377</b>	<b>4,475</b>
<b>Net book value</b>					
At 31 August 2020	19,094	5,243	126	44	<b>24,507</b>
At 31 August 2019	19,463	5,279	147	46	<b>24,935</b>

As permitted by FRS 102, the Trustees have adopted a policy of not revaluing tangible fixed assets and, under the transitional arrangements set out in FRS 102, with effect from 1 September 2014, the value assigned to the building is now deemed to be its cost.

## 13 Debtors

	2020 £'000	2019 £'000
Trade debtors	96	167
VAT recoverable	18	49
Prepayments and accrued income	430	376
	<b>544</b>	<b>592</b>

**14 Creditors: amounts falling due within one year**

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Trade creditors	<b>22</b>	—
Taxation and social security	<b>151</b>	153
Other creditors	<b>229</b>	99
Accruals and deferred income	<b>101</b>	212
	<b>503</b>	464
	<b>2020</b>	2019
	<b>£'000</b>	£'000
Deferred income at 1 September 2019	<b>7</b>	—
Released during the year	<b>(7)</b>	—
Resources deferred in the year	—	7
Deferred income at 31 August 2020	—	7

**15 Funds**

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
. General Annual Grant (GAG)	—	8,508	(7,727)	—	<b>781</b>
. Pupil Premium	—	602	(602)	—	—
. Other Grants	—	783	(783)	—	—
. Transfer on conversion	—	149	(149)	—	—
. Pension reserve	(3,225)	—	(538)	(142)	<b>(3,905)</b>
	(3,225)	10,042	(9,799)	(142)	<b>(3,124)</b>
<b>Other restricted funds</b>					
. Local authority grants	—	226	(226)	—	—
. Other restricted funds	—	21	(21)	—	—
	—	247	(247)	—	—
<b>Restricted fixed assets fund</b>					
. Transfer on conversion	24,809	—	(433)	—	<b>24,376</b>
. DfE/ESFA capital grants	70	32	(1)	—	<b>101</b>
. Capital expenditure from GAG	56	—	(1)	—	<b>55</b>
	24,935	32	(435)	—	<b>24,532</b>
<b>Total restricted funds</b>	<b>21,710</b>	<b>10,321</b>	<b>(10,481)</b>	<b>(142)</b>	<b>21,408</b>
<b>Unrestricted funds</b>					
. General funds	1,083	319	(316)	—	<b>1,086</b>
<b>Total unrestricted funds</b>	<b>1,083</b>	<b>319</b>	<b>(316)</b>	<b>—</b>	<b>1,086</b>
<b>Total funds</b>	<b>22,793</b>	<b>10,640</b>	<b>(10,797)</b>	<b>(142)</b>	<b>22,494</b>

## 15 Funds (continued)

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

### General Annual Grant (GAG)

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

### Fixed asset fund

Restricted fixed asset funds are resources to be spent on particular capital purposes. Transfers out of the fund represented capital funding spent on items which did not meet the Academy Trust's capitalisation policy.

### Other restricted funds

Are resources for educational purposes, unrestricted funds are resources for general purposes.

### Analysis of funds by School

Fund balances at 31 August 2020 were allocated as follows:

	NMBEC 2020 £'000	KAPS 2020 £,000	Total 2020 £'000	NMBEC 2019 £'000	KAPS 2019 £'000	Total 2019 £'000
General fund	798	1,069	1,867	400	683	1,083
Restricted fixed assets fund	19,278	5,254	24,532	19,656	5,279	24,935
Pension liability	(2,496)	(1,409)	(3,905)	(2,076)	(1,149)	(3,225)
<b>Total</b>	<b>17,580</b>	<b>4,914</b>	<b>22,494</b>	<b>17,980</b>	<b>4,813</b>	<b>22,793</b>

### Analysis of cost by School

Expenditure incurred by each school (excluding depreciation and central costs) during the year was as follows:

	Teaching and Educational Support Staff costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs excluding dep'n £'000	Total 2020 £'000
Norbury Manor Business and Enterprise College	5,238	610	456	671	6,975
Kensington Avenue Primary School	2,128	528	132	254	3,042
<b>Total</b>	<b>7,366</b>	<b>1,138</b>	<b>588</b>	<b>925</b>	<b>10,017</b>

	Teaching and Educational Support Staff costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs excluding dep'n £'000	Total 2019 £'000
Norbury Manor Business and Enterprise College	4,890	758	507	859	7,014
Kensington Avenue Primary School (from 1 February 2019 to 31 August 2019)	1,236	296	87	183	1,802
<b>Total</b>	<b>6,126</b>	<b>1,054</b>	<b>594</b>	<b>1,042</b>	<b>8,816</b>

15 Funds (continued)

**Comparative information**

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
<b>Restricted general funds</b>					
. General Annual Grant (GAG)	—	7,372	(7,372)	—	—
. Pupil Premium	—	526	(526)	—	—
. Other Grants	—	268	(268)	—	—
. Pension reserve	(1,313)	(808)	(297)	(807)	(3,225)
	(1,313)	7,358	(8,463)	(807)	(3,225)
<b>Other restricted funds</b>					
. Local authority grants	—	143	(143)	—	—
. Other restricted funds	—	30	(30)	—	—
	—	173	(173)	—	—
<b>Restricted fixed assets fund</b>					
. Transfer on conversion	19,900	5,300	(391)	—	24,809
. DfE/ESFA capital grants	54	52	(36)	—	70
. Capital expenditure from GAG	56	—	—	—	56
	20,010	5,352	(427)	—	24,935
<b>Total restricted funds</b>	18,697	12,883	(9,063)	(807)	21,710
<b>Unrestricted funds</b>					
. General funds	327	987	(231)	—	1,083
<b>Total unrestricted funds</b>	327	987	(231)	—	1,083
<b>Total funds</b>	19,024	13,870	(9,294)	(807)	22,793

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2020 £'000
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	—	—	24,507	24,507
Current assets	1,086	1,284	25	2,395
Current liabilities	—	(503)	—	(503)
Pension scheme liability	—	(3,905)	—	(3,905)
<b>Total net assets</b>	1,086	(3,124)	24,532	22,494

**16 Analysis of net assets between funds (continued)**

	<i>Unrestricted funds £'000</i>	<i>Restricted general funds £'000</i>	<i>Restricted fixed asset fund £'000</i>	<i>Total 2019 £'000</i>
<i>Fund balances at 31 August 2019 are represented by:</i>				
<i>Tangible fixed assets</i>	—	—	24,935	24,935
<i>Current assets</i>	1,083	464	—	1,547
<i>Current liabilities</i>	—	(464)	—	(464)
<i>Pension scheme liability</i>	—	(3,225)	—	(3,225)
<b><i>Total net assets</i></b>	<b>1,083</b>	<b>(3,225)</b>	<b>24,935</b>	<b>22,793</b>

**17 Commitments under operating leases**

***Operating leases***

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

	<i>Furniture and equipment</i>	
	<b>2020 £'000</b>	2019 £'000
Amounts due within one year	<b>7</b>	10
Amounts due between two and five years inclusive	—	5
	<b>7</b>	15

**18 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.

**19 Pension and similar obligations**

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

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

Contributions amounting to £85,723 were payable to the schemes at 31 August 2020 (2019: £100,772) and are included within creditors.

## 19 Pension and similar obligations (continued)

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

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

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

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

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

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

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

The employer's pension costs paid to TPS in the period amounted to £962,000 (2019: £567,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

**19 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £441,000 (2019: £319,000), of which employer's contributions totalled £338,000 (2019: £246,000) and employees' contributions totalled £103,000 (2019: £73,000). The agreed contribution rates for future years are 18.2% of employers and between 5.5% - 12.5% of employees.

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

Principal Actuarial Assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	2.2%	2.8%
Rate of increase for pensions in payment / inflation	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.8%

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

	At 31 August 2020 years	At 31 August 2019 years
<i>Retiring today</i>		
Males	21.9	21.3
Females	23.9	23.4
<i>Retiring in 20 years</i>		
Males	22.5	22.3
Females	25.3	24.8
<b>Sensitivity analysis</b>	<b>2020</b> %	<b>2019</b> %
Discount rate -0.5%	23	29
Salary increase rate to +0.5%	1	2
Pension increase rate to +0.5%	21	26

**19 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS) (continued)**

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

	<b>Fair value at 31 August 2020 £'000</b>	Fair value at 31 August 2019 £'000
Equities	2,177	1,877
Bonds	749	696
Property	442	424
Cash and other liquid assets	34	31
<b>Total market value of assets</b>	<b>3,402</b>	<b>3,028</b>
<b>Present value of scheme liabilities</b>		
Funded	7,307	(6,253)
<b>Deficit in scheme</b>	<b>(3,905)</b>	<b>(3,225)</b>
	<b>2020 £'000</b>	<b>2019 £'000</b>
<b>Amounts recognised in statement of financial activities</b>		
Current service cost	475	210
Past service cost	—	35
Interest income	(59)	(69)
Interest cost	122	121
<b>Total amount recognised in the SOFA</b>	<b>538</b>	<b>297</b>
	<b>2020 £'000</b>	<b>2019 £'000</b>
<b>Changes in the present value of defined benefit obligations were as follows:</b>		
At 1 September 2019	6,253	3,495
Inherited on conversion	—	1,133
Current service cost	813	456
Past service cost	—	35
Interest cost	122	121
Employee contributions	103	73
Actuarial loss (gain)	51	980
Benefits paid	(35)	(40)
<b>At 31 August 2020</b>	<b>7,307</b>	<b>6,253</b>
	<b>2020 £'000</b>	<b>2019 £'000</b>
<b>Changes in the fair value of the Academy Trust's share of scheme assets:</b>		
At 1 September 2019	3,028	2,182
Inherited on conversion	—	325
Interest income	59	69
Actuarial gain/(loss)	(91)	173
Employer contributions	338	246
Employee contributions	103	73
Benefits paid	(35)	(40)
<b>At 31 August 2020</b>	<b>3,402</b>	<b>3,028</b>

## 20 Related party transactions

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

The Academy Trust did not enter into any related party transactions in the year

## 21 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020 the trust received £15,000 (2019: £16,000) and disbursed £12,000 from the fund (2019: £16,000). At 31 August 2020, there was an amount held on behalf of students amounting to £3,000 (2019 - £nil).

The Academy Trust runs a Children's Centre on behalf of the Local Authority. In the year ended 31 August 2020, the Academy Trust received £476,408 (2019 – £209,549) and disbursed £373,333 (2019 – £182,252). £130,372 (2019 – £27,297) has been carried forward in creditors.

## 22 Transfer from Local Authority on conversion

On 1 February 2019, Kensington Avenue Primary School converted to academy status under the Academies Act 2010 and the operations and assets and liabilities of the school were transferred from Croydon Council to the Academy Trust for £nil consideration. During the year to 31 August 2020, the Academy Trust received a final settlement amount on conversion of £149,000.

The transfer was accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as income from transfers from Local Authority on conversion in the statement of financial activities.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	Total 2020 £'000
Current assets				
. Cash	—	149	—	149
<b>Net assets</b>	—	149	—	149

**22 Transfer from Local Authority on conversion (continued)**

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	<b>Total 2019 £'000</b>
Tangible fixed assets				
. Leasehold land and buildings	—	—	5,300	<b>5,300</b>
Current assets				
. Cash	483	—	—	<b>483</b>
. Debtors	738	—	—	<b>738</b>
. Creditors	(716)	—	—	<b>(716)</b>
Non-current liabilities				
. LGPS pension deficit	—	(808)	—	<b>(808)</b>
<b>Net assets (liabilities)</b>	<b>505</b>	<b>(808)</b>	<b>5,300</b>	<b>4,997</b>