

**Company Registration Number: 07698914 (England & Wales)**

**QEGSMAT**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

# **QEGSMAT**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	Mrs E Barnes Dr A Brown (resigned 15 October 2020) Mr A Forsyth (resigned 31 January 2021) Mr P Gadsby Mr S Oliver Mr M Mallender (appointed 15 October 2020) Mr M Betteridge (appointed 30 March 2021)
<b>Trustees</b>	Mrs J Shepherd, Chair of Trustees Mr H Tresidder, Vice Chair and Chair of Finance, Audit and Risk Committee Mrs A Martin, Executive Headteacher / Chief Executive and Accounting Officer Mr S Smith Mrs R Schofield Mr K Wesley Mrs V Longson Mr P Stanyer, Co-Chair of Performance Committee Mr M Mallender (resigned 15 October 2020) Mr S Khaliq (appointed 19 November 2020) Mr A Evans Mrs S Hall, Co-Chair of Performance Committee
<b>Company registered number</b>	07698914
<b>Company name</b>	QEGSMAT
<b>Principal and registered office</b>	QEGSMAT The Green Road Ashbourne Derbyshire DE6 1EP

**QEGSMAT****(A company limited by guarantee)****REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

<b>Company secretary</b>	Mrs L Key
<b>Chief executive officer</b>	Mrs A Martin
<b>Executive leadership team</b>	Mrs A Martin, Executive Headteacher / Chief Executive Mrs L Key, Director of Finance & Operations Mr D Wood, Director of Primary Education (until 31.8.21) Mrs B Smith, Director of Secondary Education Mr S Hardy, Head of Human Resources Mrs C Peat, Primary School Improvement Lead (from 7.6.21)
<b>Independent auditors</b>	PKF Smith Cooper Audit Limited Chartered Accountants St Helen's House King Street Derby DE1 3EE
<b>Bankers</b>	Lloyds Compton Ashbourne Derbyshire DE1 1BX
<b>Solicitors</b>	Knights Solicitors 26 Orient Way Pride Park Derby Derbyshire DE24 8BY

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

The Trustees present their annual report together with the Financial Statements and auditors' report of the Charitable Company, for the year 1 September 2020 to 31 August 2021. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Charitable Company was incorporated on 8 July 2011 and commenced trade as a single academy trust, Queen Elizabeth's Grammar School Ashbourne Academy (known as Queen Elizabeth's Grammar School) on 1 August 2011. On 1 April 2017, Queen Elizabeth's Grammar School converted from a single academy trust to a multi academy trust, QEGSMAT (the Academy Trust), with Waterhouses CE Primary Academy. On 1 June 2017 Springfield Junior School joined the Academy Trust, followed by the City of Derby Academy on 1 September 2017 and Castle View Primary School on 1 February 2018.

During the period under review two new schools joined the Academy Trust. St John's CE Primary School converted to an academy from Staffordshire County Council maintained school on 1 January 2020 and Chellaston Academy transferred in from Peak Multi Academy Trust on 1 June 2021, following a decision by the Department of Education to re-broker the school to a new Trust.

#### **Structure, governance and management**

##### **. Constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The Charitable Company's Memorandum and Articles of Association is the primary governing documents of the Academy Trust.

The Trustees of QEGSMAT are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as QEGSMAT.

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

##### **. Members' liability**

Each Member of the Charitable Company undertakes to contribute to the assets of the 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 provision of the Companies Act 2006 and the Academy Trust's Articles of Association, every Trustee shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity, in defending any proceedings, whether civil or criminal, in which judgment is 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 Academy Trust.

The Academy Trust has indemnity cover for Trustees through the Risk Protection Arrangement provided by the Education and Skills Funding Agency (ESFA).

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### **Methods of Recruitment and Appointment or Election of Trustees**

The Academy Trust recruits and appoints Trustees in accordance with its Articles of Association:

- a) Up to 7 shall be appointed by the Members;
- b) No less than 1 shall be appointed by the Derby Diocesan Board of Education;
- c) No less than 1 shall be appointed by the Lichfield Diocesan Board of Education;
- d) Up to 2 shall be appointed by the Old Trust.

The total number of Trustees appointed by the Derby and Lichfield Diocesan Boards of Education shall not exceed 25% of the total number of Trustees, and the Executive Headteacher/Chief Executive shall be a Trustee, being the only employee of the Academy Trust who may be a Trustee.

The term of office for any Trustee shall be 4 years, save this time limit shall not apply to the Executive Headteacher/Chief Executive who shall serve for as long as they hold office.

Trustees are recruited following a rigorous process, which includes an initial introductory discussion, an informal CV review and an interview with Trustees, including the Chair of the Board. Appointments are made based on skills and experience, and for the Trust Board to operate effectively, the following mix of skills is required: education, business, governance, human resources, organisational development, legal, financial, information technology, estates and asset management, marketing, public relations, strategic partnership, health, safety and safeguarding. Enhanced DBS and right to work in the UK checks are carried out on Trustees, and in some cases barred list checks are conducted.

The Trust Board carries out an annual skills audit to identify strengths and skills gaps. These are used to inform recruitment processes and training and development programmes.

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

The induction and training provided to Trustees is tailored to their needs and is dependent on their skills and experience.

New Trustees attend an induction meeting as soon as practicable after their appointment, at which the following information about the Academy Trust is provided:

- Vision and values;
- Strategic and operational plans;
- Organisational structure;
- Details of other Trustees;
- Terms of Reference;
- Scheme of Delegation;
- Articles of Association;
- Academy Trust Handbook;
- Accounting Officer letters from the ESFA;
- Calendar of meetings;
- Minutes of the two most recent meetings;
- Latest performance report to Trustees;
- Code of Conduct;
- List of Academy Trust policies and how to access them.

They are also encouraged to visit as many of the Academy Trust's academies as is practicable and meet pupils, students, staff and Local Governors.

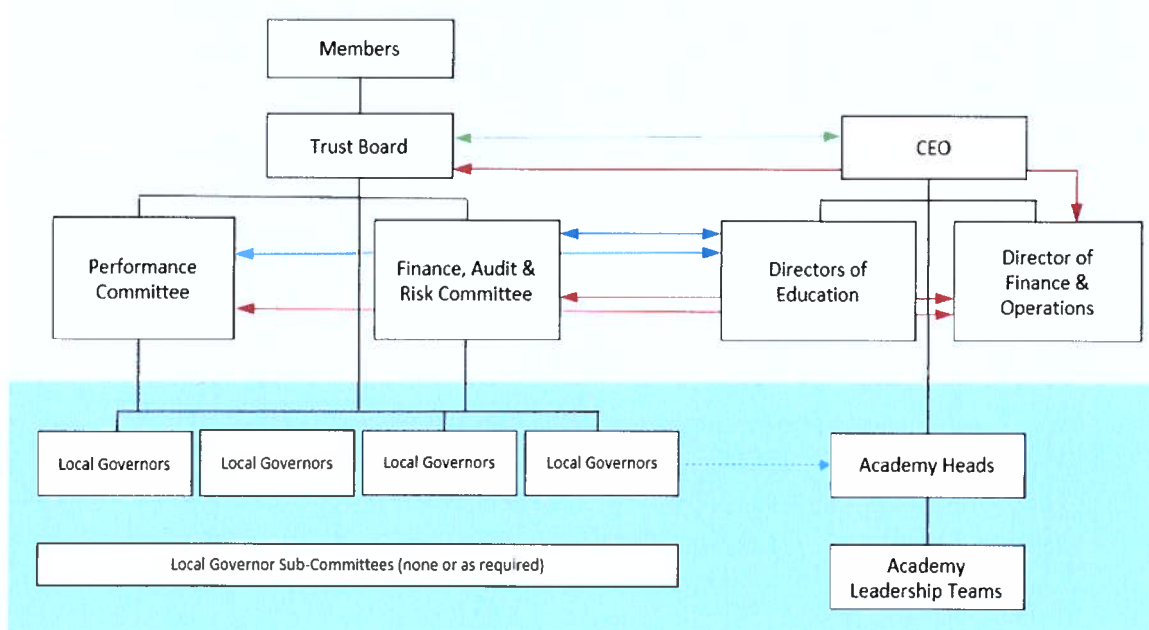
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Governance reviews are undertaken regularly to ensure effectiveness and there is an on-going commitment to training and development.

### Organisational Structure

The Academy Trust is a single organisation operating across multiple sites in different contexts. This does not come without complexities, and the organisational structure (shown below) is designed to ensure Trustees and Executive Leaders maintain a sharp focus on the strategic needs of the organisation as a whole, while knowing their academies and being able to respond accordingly.



The Board of Trustees has appointed a number of sub-committees to ensure robust oversight of the Academy Trust is maintained. The scope of their work is set out in clear, written terms of reference which are reviewed annually. Each sub-committee provides rigorous scrutiny of the educational and financial performance of the Trust and its academies.

The Finance, Audit and Risk Committee is responsible for overseeing the Academy Trust's financial performance, and for ensuring resources are used efficiently and effectively to maximise outcomes for pupils and students. The committee also provides assurance to the Board on the adequacy of the internal financial control framework including financial and non-financial controls and management of risks.

The Performance Committee is responsible for overseeing the quality of education provided by the Trust.

Additionally, each school has a Local Governing Body, responsible for quality of teaching and learning and achievement and standards in their academy. They ensure clarity of vision, ethos and strategic direction, providing support and challenge on educational performance.

A governance and leadership framework is in place, with clear lines of accountability and communication at all levels, and a written Scheme of Delegation sets out the decision making responsibilities.

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### Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Academy Trust's key management personnel are its Members, Trustees, Executive Leaders and Headteachers.

The Members and Trustees receive no pay or remuneration for their work and discharge their responsibilities wholly voluntarily.

Whilst the Executive Headteacher/Chief Executive is remunerated, this is for their work as an employee of the Academy Trust and in accordance with their contract of employment. It is not for their role as a Trustee.

The Trust Board reviews the pay and remuneration of all employees, including the Executive Leaders and Headteachers annually. It does so in accordance with the School Teachers' Pay and Conditions document, the Academy Trust's Pay and Appraisal policies, and the employment contracts of employees.

### Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. Under the provisions of those regulations the Academy Trust provides the following information for the period under review:

#### Relevant Union Officials

Number of employees who were relevant trade union officials during the period	Full time equivalent number of employees
4	3.8

#### Percentage of Time Spent on Facility Time

Percentage of time	Number of employees
0%	2.0
1% - 50%	2.0
51% - 99%	0.0
100%	0.0

#### Percentage of Pay Bill Spent on Facility Time

Total cost of facility time	£2,219
Total pay bill	£13,751,363
Percentage of total pay bill spent on facility time	0.02%

#### Paid Trade Union Activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.00%
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### **Related Parties and Other Connected Charities and Organisations**

During the period under review, until 31 May 2021, the Executive Headteacher/Chief Executive also worked for Peak Multi Academy Trust as the Interim Chief Executive Officer and Accounting Officer under the terms of a secondment agreement. This arrangement ended on 1 June when Chellaston Academy was re-brokered by the Department for Education from Peak Multi Academy Trust to QEGSMAT.

The Academy Trust continued to benefit from strong partnerships with other organisations for the advantage of its pupils and students.

The Executive Headteacher/Chief Executive continued to work as a National Leader of Education (NLE) and Link Advisor for Derbyshire Local Authority, effectively supporting schools in challenging circumstances and those requiring school improvement support and challenge. She also remained a member of the East Midlands and Humber Headteacher Board, which advises and supports the Regional Schools Commissioner to make decisions about academies, free schools and education trusts, and continued to be part of the network of National Coaches for Women Leading in Education, and to be a member of the Derbyshire Strategic Improvement Partnership Board.

The Academy Trust's Director of Finance and Operations worked closely with Derbyshire Local Authority on school funding as a member of the Derbyshire Schools' Forum, and with peers in other Trusts via the East Midlands Finance Directors' Forum. She too continued to be part of the network of National Coaches for Women Leading in Education.

The Academy Trust continued to have flourishing relationships with a wide range of other partners. For example, it worked both strategically and operationally with the Department for Education (DfE), the University of Derby, the Derby Teaching School Alliance and the Derby Diocese to deliver the priorities of the Derby Opportunity Area Plan. Similarly, the Trust's academies maintained their involvement with a wide range of partners including Peak 11 (a soft federation of schools in the High Peak and Derbyshire Dales), the Derby City collaboration of schools, the Leek Education Partnership, the Swadlincote School Improvement Partnership, and the Highfields cluster of schools.

The Executive Headteacher/Chief Executive also worked alongside both Derby and Lichfield Dioceses on the development of a strategy for small schools. The Academy Trust also worked closely with Derby Diocese Academy Trust (DDAT) of which the Executive Headteacher/Chief Executive is a Member.

Despite the challenges of COVID-19, during the period under review, the Academy Trust worked hard to provide its pupils and students with a wide range of enrichment opportunities and maintained its excellent relationships with its Friends, Parent and Teacher Associations, the Old Trust (The Trustees and Assistants of Queen Elizabeth's Grammar School), The Woodroffe Benton Foundation and the Old Ashburnian Society.

### **Engagement with Employees (Including Disabled Persons)**

The Academy Trust encourages employees to have a voice concerning the Trust, its performance and management. This is undertaken through formal and informal routes, which include staff voice surveys. The results are summarised and disseminated to all staff with a view to implementing ideas of improvement.

The Academy Trust continues to offer vacancies to all, making sure that if an individual has a disability the training, support or adjustments that can be made to ensure the individual is able to fulfil the role, are investigated and implemented.

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In accordance with the Equality and Equal Opportunities in Employment Policies, the Academy Trust has established fair employment practices in the recruitment, selection, training, support and retention of disabled staff.

**Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust**

The Academy Trust works hard to foster effective business relationships with others. Positive, polite and professional communication is critical to this, alongside prompt payment of supplier invoices.

The Academy Trust selects its suppliers with care, having regard to their ability to provide high quality goods and/or services at the best price, and uphold the Academy Trust's strong reputation.

## **Objectives and Activities**

### **Objects and Aims**

The Academy Trust's purpose is to provide the best possible educational outcomes for all its young people to develop and thrive, in an environment which supports, pupils, students, staff and the community.

The actions to **Question, Explore, Give and Succeed**; drive the provision of consistent world-class education and care. The Academy Trust's vision is to enable every young person to enjoy learning and reach their full potential.

### **Objectives, Strategies and Activities**

To achieve its purpose and vision, the Academy Trust's goals are to:

- Offer a broad, balanced and creative **curriculum**, which enables all our young people to achieve the very best outcomes and leave education well prepared for the next steps in their lives;
- Deliver **high quality teaching**, learning and assessment and effective leadership at all levels;
- Develop the **culture** and individuality of our academies and Trust, building a strong community in and around us;
- Offer a rewarding and stimulating **workplace** for staff; and
- Provide a strong, safe and financially **sustainable environment**.

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

The Trust's academies share these goals and strive to achieve them in a way relevant to their own context, as set out in their Academy Improvement Plans. Due to COVID-19 the plans for 2020/21 were adapted and Teacher Assessed Grades were used to award all external secondary qualifications; primary phase assessments were cancelled by the Government. During lockdown, all schools provided remote learning and, as schools reopened in March 2021, a blended learning approach was taken with pupils and students working in 'bubbles'. Schools have completely reviewed and reformed every aspect of their day-to-day operations to ensure the safety of pupils, students and staff, whilst trying to stay abreast of constantly changing guidance from the Government. Risk control measures such as restricted movement around school, the wearing of face coverings and enhanced cleaning regimes were rigorously implemented to ensure the pupils, students and staff were safe, secure and able to resume learning. Staff and the vast majority of pupils and students have risen to this challenge; returning to school, smiling and happy to be back.

The 2021 strengths and areas of development are summarised below:

### **Secondary School Strengths and Developments**

#### **City of Derby Academy**

##### Strengths

- Year on year improvement in all key attainment measures.
- Attainment 8 exceeded external estimates.
- Improvements in the English Baccalaureate (Ebacc) subjects, particularly French and Science.
- Strong progress and attainment outcomes in English.
- Improvements in Maths (although the gap remains).

##### Areas for development

- Outcomes at grade 5 and above in English and Maths.
- Progress and attainment of pupil premium students and students with English as an additional language.
- Progress and attainment in some open bucket and vocational qualifications (open bucket qualifications include vocational qualifications that are graded based on criteria as opposed to GCSEs that are graded on cohort performance), hospitality and catering, engineering, design and technology (timber) and creative i-media.

#### **Chellaston Academy**

##### Strengths

- Overall attainment in all measures particularly English at grade 5+.
- Students with English as an additional language have outperformed estimates in key attainment measures.
- Attainment in A-levels compared with 2019.

##### Areas for development

- Progress and attainment of pupil premium students.
- Students with special educational needs and disabilities (SEND) progress and attainment.
- Progress in English literature, combined science, Spanish, food and nutrition and some vocational (health and social, construction, salon).

#### **Queen Elizabeth's Grammar School**

##### Strengths

- A-level and vocational average point scores have improved further.
- Attainment measures remain strong and improved on 2019 (though these are not quite as good as in 2020).
- Met or exceeded external estimates for Attainment 8 and Ebacc average point score.
- Boys have done better compared to estimates in all key attainment measures.

##### Areas for development

- Progress and attainment of pupil premium students.
- 5+ English and Maths measure (particularly Maths).
- Progress in KS4 music, engineering and physics.

## **Primary Strengths and Developments**

### **Castle View**

#### Strengths:

- The school has an ethos and thirst for learning. Staff and pupils are supported to continue to grow and develop.
- Robust appraisal is linked to school development priorities and is used to offer individualised training and support to enable staff to be successful in their role.
- Governors believe in providing access to high quality training. The budget continues to be used to plan a staffing structure that enables time for collaborative working, coaching and mentoring. The school has trained a number of parents and staff to enable them to access work and improve their family income (8 NVQs and 5 apprentices). In addition, staff are completing a wide range of continuing professional development (CPD) courses ranging from NVQ Level 3 to Level 5 and 7.
- Behaviour is now good, pupils' attitudes to learning are strong and their resilience has improved, brought about by an emphasis being placed on outdoor and adventurous learning following lockdowns.
- Teaching and learning is now consistently good or better.
- Opportunities are made for all staff to move around year groups and to understand the journey and expectations of learning from 2 to 11 year olds.
- Governors began investing in high quality early years provision in 2014 and have developed and grown the nursery significantly.
- Recent investments in an outdoor playgroup have seen even more pupils into nursery and the school being able to start addressing the challenges linked to deprivation.
- The school has developed its own curriculum, which is knowledge, vocabulary and skill based.
- Investment in high quality phonics has brought about a significant improvement in pupil's early reading skills.
- Partnership working has enabled staff to develop mastery approaches.
- The school has strong community links and works alongside the local regeneration team to change the life chances of pupils by improving access to work for parents.
- A focus on metacognition over the last two years is bringing about further improvements in outcomes. Pupils that do not have significant barriers to learning are making good progress based on their starting points.

#### Areas for development:

- Addressing the impact of deprivation on pupils very low starting points. The vast majority of pupils enter nursery significantly below age related expectations in all development areas. The significant barriers that impact on pupil's acquisition of English and Maths in the long term are their very low characteristics of learning, their personal, social and emotional development and communication and language skills.
- Pupils' retention rates are low and absence affects pupils acquisition of knowledge and retention.
- Parental engagement has improved significantly over the years. However, the majority of parents were unable to support pupils during the COVID-19 lockdowns. A large proportion of pupils in the first lockdown did not engage in online learning so rapid changes were made to ensure parents and staff could hold pupils to account.
- Teaching and learning has been affected by the COVID-19 outbreak. After the first lockdown (March 2020 – July 2020) many pupils returned to school having regressed in attainment and their retention of knowledge and skills. This loss of key learning has had a significant impact on the progress made over the last eight years to narrow the attainment gap for disadvantaged pupils.

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- Following a return to school in September 2020 assessments showed that pupils' reading fluency and comprehension had regressed and phonic acquisition had been severely affected.
- The COVID-19 outbreak has affected a significant number of parents during the outbreak and beyond. We anticipate this will have an ongoing devastating impact on families. During the pandemic the senior leadership team have worked with the regeneration team to access funding to provide food parcels in the crisis and beyond.
- Anti-social behaviour outside of school impacts on the ability of the children to focus on teaching and learning.
- Some poor parenting skills impact directly on pupils' ability to concentrate. Pastoral and early help are key to support vulnerable families. The school is using some of its pupil premium (funding to improve education outcomes for disadvantaged pupils) to fund a Pastoral Manager post to ensure families have the right targeted support.
- To embed the new Personal, Social, Health and Economic (PSHE) and Relationships and Sex Education (RSE) curriculum throughout school.
- Improve 'Good Level of Development' (GLD) outcomes and develop pupils 'characteristics of learning' to ensure strong learning behaviours, with the aim of narrowing the attainment gap from the earliest in personal, social and emotional development and communication and language so that pupils are able to develop key skills in English and Maths and access the breadth of curriculum and experiences.
- To develop 'deep learning through play' for all year groups. To improve concentration levels, resilience and develop happy, healthy learners.
- To address missed developmental milestones across school.
- To reduce obesity rates linked to deprivation and COVID-19.

### **Springfield**

#### **Strengths:**

- Inclusive ethos and support provided for children and their families. Successful track record and good reputation for supporting children with high needs and significant behavioural issues who had been at risk of exclusion from other schools.
- Purposeful learning environments across the school, well maintained and attractive.
- Consistency of expectations of teaching and learning.
- Whole school curriculum in place.
- Assessment/monitoring and evaluation timetable in place to hold all staff to account for pupil progress.
- Devolved responsibilities across the senior leadership team.
- Positive working relationships with a range of professionals and stakeholders.
- Staff are currently engaging with a wide range of CPD.
- Overall trend improving; progress scores in core subjects by the end of the key stage from 2017 to 2019 inclusive.
- Inclusion – the Enhanced Resource School unit is a strength and a number of managed move children/children who have been out of school for long periods are in school and demonstrating positive behaviours to learning from where they were at previous schools.
- The staff are working together as a strong team.
- PSHE/mental health and wellbeing and the recovery curriculum are supporting the pupils' feelings through the English curriculum.
- Supporting the number of pupils with high needs is challenging, especially when pupils come through general admissions with no paperwork or funding, causing strain on already limited staffing resources.

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Areas for development:

- A significant proportion of pupils enter with attainment levels below expected and it is often the case that these pupils are also the ones eligible for the pupil premium, on SEND register and in receipt of early help/inclusion support.
- COVID-19 has seen regression in attainment for pupil premium and SEND children.
- Pupil premium children are not meeting attainment targets 2020/2021.
- SEND funding levels are insufficient resulting in the school having to use its pupil premium to ensure the needs of the pupils are met. The school will work with educational psychologists, behaviour support services and other professionals to gather evidence to apply for funding to ensure SEND pupils receive the support they require to enable them to make good or better progress.
- The teaching and learning of PSHE and RSE via the introduction of the 'jigsaw programme'.
- Revisiting expectations for Quality First Teaching – focus on high expectations, effective use of assessment for learning and understanding of expected standards to ensure consistency across the key stage and improved outcome for all pupils.
- Embedding Growth Mind set principles – ongoing reinforcement of high expectations, resilience, and self-belief to develop self-confidence and raise aspirations.
- The school grounds require development (including the creation of a wildlife area, sensory garden, fitness area and outdoor reading area) to support learning and wellbeing and increase levels of pupil engagement.
- Reducing levels of persistent absence – tracking attendance and providing support and advice for families to ensure all pupils are in school so they can make good progress.

**Waterhouses**

Strengths:

- Strong, supportive working relationships across the whole school team.
- The vast majority of pupils enter school 'school ready'.
- Pupil attainment is good.
- There are good links with the pre-school.
- Staff have good subject knowledge.
- There is specialism within the early years foundation stage, which has previously been used to support other schools.
- Pupils learning behaviours are consistently good.
- There are few incidents of poor behaviour and a culture of respect.
- Effective support and identification of SEND.
- Improvements to learning environments are ensuring the buildings are well maintained.
- The Headteacher has a good relationship with parents and pupils and is well respected within the community.

Areas for development:

- Falling number on roll. Advertising the school locally to raise awareness.
- Use the school's swimming pool to be a unique selling point for the school.
- Support children who have fallen behind in their reading in order that they become able to fluently blend letter sounds when reading.
- Develop the outdoor learning opportunities to enhance the curriculum offer.
- Work with specific parents who continue to not engage with the learning that is sent home for children to complete when isolating.
- Ensure succession planning for early years team.

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### **St Johns**

#### Strengths:

- The Headteacher is clear about what needs to be done to improve outcomes for pupils.
- She has a strong understanding of teaching and learning.
- Inadequacies in teaching and learning are being challenged and addressed.
- Pupil outcomes at KS2 are good, although there is a gap between pupil premium and SEND in comparison to non-pupil premium or SEND pupils.
- There are a large number of teachers who are upper pay scale, which enables roles and accountability to be disseminated across the school and devolved accountability. The Headteacher and the wider staff have strong relationships with all stakeholders and are having a positive impact to drive change.
- A new curriculum (Cornerstones) has been sourced and is being implemented.

#### Areas for development:

- Implement quality first teaching.
- Teaching and learning to be at least good or better.
- Ensure the curriculum is progressive, cohesive and meets the needs of the pupils.
- Develop the curriculum to ensure end points are identified and a mastery approach is applied to each year groups' aims and expectations.
- Improve outcomes in all subjects by ensuring a consistent approach to clarifying the lesson expectations for all pupils, with clearly defined success criteria that pupils are able to measure themselves against, reflect on, adapt and improve.
- Implement a whole school teaching and learning policy that clarifies expectations linked to the teaching standards.
- Ensure consistency with pupil presentation and expectations with regard to the level of opportunity pupils have to apply their writing skills.
- Ensure assessment for learning strategies are used within the lesson to address misconceptions and move learning on. Implement the Education Endowment Foundation (EEF) strategy for using feedback effectively and update the marking and feedback policy.
- Improve outcomes in all subjects by improving the learning environment to ensure it supports and scaffolds learning, and train staff on the importance of the learning environment as 'the third teacher' and on how to develop communication friendly, vocabulary rich environments.
- Implement focused intervention to address pupil gaps in learning in reading, phonics, spelling and Maths/low attainment due to the effects of COVID-19/remote learning. Monitor and evaluate the impact.
- Further develop a positive, inclusive, respectful culture through the vision and values as well as the curriculum development.

### **Public Benefit**

The Trust's academies are non-selective, non-fee paying academies, and as such operate entirely for the public benefit. In addition to striving for and achieving the highest educational standards and attainment for all pupils and students, the Academy Trust engages in partnership working with others, particularly in Derbyshire, Derby City and Staffordshire.

The Academy Trust also has links with many local and national businesses that provide support for a wide range of enrichment and careers activities and opportunities for the benefit of its pupils and students. There are also links with the local churches in Ashbourne, and with the Derby and Lichfield Diocesan Boards of Education and with Derby Diocesan Academy Trust (DDAT).

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The Academy Trust works for the benefit of the communities it serves and hires out its facilities, including halls, sports halls, swimming pools and sports pitches to local groups including to numerous young persons' sports and dance clubs. However, there was much less community use of the Academy Trust's facilities in the period under review due to COVID-19.

Also, a number of external agencies use the Academy Trust's facilities to enable families to access support and social care.

## **Strategic Report**

### **Achievements and Performance**

The Academy Trust grew by two schools in the period under review hence an increase in the number of people employed and the number of pupils and students on roll. As at the 31 August 2021 631 people (716 posts) were employed by the Academy Trust in both teaching and non-teaching roles, including 80 relief staff, and there were approximately 4,800 pupils and students on roll aged between 2 and 18.

Each academy provides a broad, balanced and creative curriculum designed to promote academic excellence and develop individual talents and interests through enrichment and extra-curricular activities and opportunities. Each curriculum reflects both national and local priorities.

### **Key Performance Indicators**

The performance of the Academy Trust will always be determined by the achievements of the pupils and students. The results for the students who were awarded Teacher Assessed Grades in Summer 2021 are set out in the following tables.

#### **Queen Elizabeth's Grammar School**

<b>Key stage 4 outcomes</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2020 Actual</b>	<b>2021 Target</b>
Attainment 8	52	52	59	52
% 4+ English & Maths	73	76	79	77
% 5+ English & Maths	55	56	58	54
% Ebacc Entry	43	47	49	24
Ebacc APS	4.6	4.5	5.3	4.5
<b>Absence</b>				
Whole School Absence	5.0	4.5	5.3*	4.9
Whole School PA	11.3	9	12.0*	9.5
Pupil Premium Abs	7.6	7.0	9.0*	7.4
Pupil Premium PA	26.5	20	25.8*	22.5

\* 2020 actual figures are up to and including 13/3/20 when the school partially closed due to COVID-19 outbreak.

<b>Key Stage 5 Outcomes</b>	<b>2019</b>	<b>2020 Target</b>	<b>2020 Actual</b>	<b>2021 Target</b>
APS (A Level)	39.4	40.0	42.4	42
APS (Applied General)	34.8	36.5	36.6	37
% A*-E (Pass)	99.3	100	99.6	100



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**City of Derby Academy**

Key Stage 4 Outcomes	2019 Actual (Stable)	2020 Target (FFT school est)	2020 Actual (Stable)	2021 Target (FFT school est)
Attainment 8	34 (36)	36 (34)	35	37 [39]
Progress 8	-0.46		-0.2	
% 4+ English & Maths	41 (47)	42 (37)	41	42 [48]
% 5+ English & Maths	17 (22)	20 (20)	22	23 [28]
% Ebacc Entry	67 (70)	15	10	15
Ebacc APS	3.1 (3.4)	2.9	3.1	3.2
<b>Absence</b>				
Whole School Absence	5.5	5		5
Whole School PA	14.4	16		15
Pupil Premium Abs	7.2	7		7
Pupil Premium PA	22.3	20		17

\* 2020 actual figures are up to and including 13/3/20 when the school partially closed due to COVID-19 outbreak.

**Chellaston Academy**

KS4	2018 Actual	2019 Actual	2020 CAG	2020 Target
Attainment 8	53.5	54.0	56.2	59.4
Progress 8	0.1	0.2	0.4	0.8
% 4+ En & Ma	80	80	83.6	91.8
% 5+ En & Ma	65	63	65.4	78.4
% Ebacc Entry	73	71	77	76.6
<b>Absence</b>				
Whole School Absence	4.1	3.9	4.9%	
Whole School Persistent Absence	8.2	7.5		
PP School Absence	6.7	6.1	6.7%	
PP School Persistent Absence	19.7	18.6		
<b>KS5</b>				
A Level VA	-0.1	-0.2	0.1	0.5
A Level APS per Entry	34.7	31.9	36.2	40.8
A Level Average Grade	C+	C+	B-	B=
Applied APS per Entry	50	50	-0.1	39.6
Applied Average Grade	Dist*	Dist*	Dist=	Dist+

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**Castle View**

Key Stage 2 Outcomes	2019 Actual	2020 Target	2020 Teacher Assessment	2021 Target
Reading	50%	68% (31% GDS)	68% (31% GDS)	56%
Writing	50%	68% (31% GDS)	63% (31% GDS)	56%
Maths	38%	73% (21% GDS)	68% (21% GDS)	50%
GPS	56%	73% (31% GDS)	68% (31% GDS)	56%
RWM combined	38%	68%	63%	50%
<b>Absence</b>			Sept 3 <sup>rd</sup> to 20 <sup>th</sup> March	
Whole School Absence	3.0%	4%	5.3%	4%
Whole School PA	9.9%	10%	12.7%	10%
Pupil Premium Abs	4.1%	4%	5.6%	4%
Pupil Premium PA	6.6%	10%	12.7%	10%

**Springfield**

Key Stage 2 Outcomes	2019 Actual (56 pupils)	2020 Target (61 pupils)	2020 Teacher Assessment	2021 Target (46 pupils)
Reading	52% (11% GDS)	75% EXS+ (16% GDS)	68% EXS+ (16% GDS)	74% EXS+ (27% GDS)
Writing	72% (11% GDS)	77% EXS+ (8% GDS)	59% EXS+ (5% GDS)	58% EXS+ (11% GDS)
Maths	68% (10% GDS)	77% EXS+ (10% GDS)	77% EXS+ (11% GDS)	69% EXS+ (20% GDS)
GPS	60% (14% GDS)	77% EXS+	74% EXS + (20% GDS)	69% EXS+ (27% GDS)
RWM combined	46% (4% GDS)	66% EXS+	59% (5% GDS)	53% EXS+ (11% GDS)
<b>Absence</b>			4 <sup>th</sup> Sept to 3 <sup>rd</sup> April	
Whole School Absence	4.0%	3.9%	5.2%	3.9%
Whole School PA	9.5%		12.4%	9.1%
Pupil Premium Abs	5.1%		6.8%	5.0%
Pupil Premium PA	8.1%		6.9%	8.1%

**Waterhouses**

Key Stage 2 Outcomes	2019 Actual	2020 Target	2020 Actual Teacher Assessed	2021 Target (3 pupils)
Reading	80%	71%	86%	100%
Writing	90%	71%	71%	100%
Maths	70%	71%	86%	100%
SPAG	80%	71%	71%	100%
RWM combined	70%	71%	71%	100%
<b>Absence</b>				
Whole School Absence	97.3%	97.5%	96.6% (to end of Spring term)	97.5%
Whole School PA	1.0%	1.0%	5.4%	1.0%
Pupil Premium Abs	96.9%	97.1%	96.8%	97.1%
Pupil Premium PA	7.7% (1 child)	7.7% (1 child)	7.7% (1 child)	0%

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**St John's**

Key Stage 2 Outcomes	2019 Actual	2020 Target	2020 Actual	2021 Target
Reading	75%	90%		79%
Writing	84%	80%		69%
Maths	84%	80%		79%
SPAG	81%	80%		
R,W,M combined	63%	80%		69%
<b>Absence</b>				
Whole School Absence	3.4%	4%		
Whole School PA	7.5%	Non-set		6%
Pupil Premium Abs				
Pupil Premium PA				3%

**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. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Promoting the Success of the Company**

The Trustees promote the success of the Academy Trust and have regard to the:

- Likely long term consequences of their decisions;
- Interests of the Academy Trust's employees;
- Need to foster the Academy Trust's business relationships with suppliers, customers and others;
- Impact of the Academy Trust's operations on the community and the environment;
- The Academy Trust's reputation for high standards of business conduct;
- Need to act fairly.

Trustees are rigorous in their scrutiny of information and the performance of the Academy Trust. They undertake school visits as often as possible, and meet with leaders, other staff, pupils, students and Local Governors to gain a wider comprehension of each school's culture and ethos, and the needs of the communities they serve. This equips them to understand the impact of their decisions.

Trustees appreciate the importance of recruiting and retaining the very best employees, and work hard to provide a safe, stimulating and rewarding work environment. Periodic staff surveys are undertaken, and consultations with employees and their professional associations take place. Trustees act upon the feedback they receive.

The Trustees and employees of the Academy Trust maintain the highest standards of conduct at all times to safeguard the reputation of the Academy Trust.

**Financial Review**

Incoming resources totalled £60,091,000. The Academy Trust benefitted from transfers from Peak MAT and Staffordshire County Council for Chellaston Academy and St John's respectively totalling £38,597,000, received donations and capital grants and generated income through charitable and other trading activities.

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The Academy Trust receives most of its funding from the Education and Skills Funding Agency (ESFA). Its main source of income is the General Annual Grant (GAG) of which £17,177,000 was received. This is determined largely by the number of pupils on roll in each school. Other significant grants received from the ESFA in the period under review were the:

- Pupil Premium - £966,000 to improve education outcomes for disadvantaged pupils (defined as those who have been eligible for free school meals at any point in the last six years).
- Teachers' pay and pensions grants - £830,000 to help offset the rising cost of teachers' pay and employer pension costs.

The Academy Trust also received funding of £670,000 from Derbyshire County Council, Staffordshire County Council and Derby City Council to support those children with SEND and for the children in our nurseries.

Following a successful bid to the ESFA, the Academy Trust was awarded Condition Improvement Funding (CIF) of £561,000 for much needed building condition and safety improvements at Waterhouses, Queen Elizabeth's and Springfield. Other capital grants received from the ESFA totalled £108,000.

Resources expended in the period totalled £22,412,000, inclusive of the following non-cash items:

- Depreciation of £1,299,000 due to the high valuation on the Academy Trust's buildings; and
- A movement of £907,000 on the Academy Trust's Local Government Pension Scheme (LGPS) deficit. This comprised a £167,000 net interest charge for the year plus a £740,000 excess on the current service cost calculated by the actuary when compared to the contributions made during the year. There was also an increase of £2,649,000 in the Local Government Pension deficit as a result of the new schools joining the Trust.

In addition to the Academy Trust's usual running costs, there was capital expenditure on the buildings and on IT. New boilers were installed at Springfield and a redundant boiler house was repurposed as a vocational classroom for the teaching of construction at the City of Derby Academy. Roof replacement works were also started at Queen Elizabeth's and Chellaston, alongside a window replacement scheme at Springfield. These works are due to be completed in the 2021/22 academic year.

There was also some significant investment in IT, and in particular in laptops for teachers and other classroom-based staff, so that teaching and learning could continue during school closure periods. Additionally, laptops and tablets with a value of approximately £89,000 were donated to the Academy Trust by the Government to enable disadvantaged pupils and students to access learning from home.

Cash balances rose by £1,761,000 to £5,010,000, including Section 106 agreement monies of £560,000 to be spent on expanding Queen Elizabeth's Grammar School to provide more school places in response to housing growth in the area, and capital grants of £607,000 to be spent on building condition improvements and IT in the new year.

Net current assets totalled £4,747,000; an increase of £2,141,000.

### **Reserves Policy**

The reserve levels of the Academy Trust are kept under review by the Board of Trustees and its Finance, Audit and Risk Committee. It is the Academy Trust's policy to carry forward a prudent level of funding to ensure long term cyclical needs can be met, assets can be renewed and unforeseen circumstances such as emergency building repairs can be managed efficiently and effectively.

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Unrestricted fund reserves as at 31 August 2021 were £454,000, made up largely of lettings income generated since August 2011, when the Academy Trust first began operating. This figure is not the profit on lettings, since until September 2018 no associated costs were attributed to the unrestricted fund. These reserves will be used solely for the purpose of the Academy Trust's charitable objects and to efficiently improve educational outcomes for all pupils and students.

Restricted income funds as at 31 August 2021 were £3,110,000, derived mostly from grants from the DfE. The pension reserve deficit as at 31 August 2021 was, reflecting the present value of the defined benefit liability determined on an actuarial basis using a variety of assumptions. The liability therefore will only become due over the lifetime of the pension scheme. Parliament has agreed to a guarantee to meet these outstanding liabilities in the event of the Academy Trust closure. Many of the assumptions on which the valuation is based relate to factors outside of the Academy Trust's control, and these factors, along with the new schools joining the Academy Trust, have contributed to an increase in the deficit of £7,082,000 in the year under review.

### **Investment Policy**

Investments can only be made when approved by the Board of Trustees and only low risk investments will be approved. In the year under review £1,245,833 was held in fixed rate deposit accounts with Lloyds Bank, the Academy Trust's bankers, for an improved return on cash balances.

### **Principal Financial Risks and Uncertainties**

The Academy Trust maintains a register of the risks to which it is exposed and has established internal control systems and procedures to mitigate these. The risk register and control arrangements are reviewed by the Board of Trustees at least annually.

The Academy Trust's principal financial risks and uncertainties are:

- Levels of funding – the Academy Trust is reliant on grants from the DfE, and these can be affected by changes in Government and Government policy. Levels of funding can therefore be uncertain. This risk is mitigated in the following ways:
  - The Academy Trust retains a modest reserve each year;
  - Cash flow is carefully managed and cash balances are tightly controlled;
  - Since Government funding is determined largely by the number of pupils/students on roll, the Academy Trust works hard to recruit and retain pupils and students. It strives to maintain a reputation for strong education performance, and to provide all pupils and students with high quality teaching and learning and great opportunities. Quality assurance processes are rigorous and pupil/student progress is routinely monitored. Where required, interventions are swift and effective in ensuring that all pupils and students make progress and achieve.
- Local Government Pension Scheme (LGPS) liabilities – the Academy Trust makes employer contributions to the LGPS, which are determined by an independent actuary. Whilst increases in teachers' pension costs are often funded by the Government, increases in respect of the LGPS are not. This puts pressure on already stretched budgets. Additionally, the Academy Trust carries a share of the LGPS deficit on its balance sheet. Risk management strategies include careful financial planning and budget monitoring.
- Cash solvency – the Academy Trust has robust cash management processes in place and works closely with its auditors to ensure effective systems of internal financial control are consistently implemented to minimise the risk of unexpected financial losses. Furthermore, the scrutiny of financial information by the Accounting Officer, Trust Board and Finance, Audit and Risk Committee ensures due diligence in all aspects of financial management. Careful consideration is given to new academies joining the Academy Trust and extensive financial due diligence is undertaken to inform

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decision making. The Academy Trust is focussed on sustainable growth and building the necessary capacity to operate efficiently, effectively and economically.

### Fundraising

In accordance with the Academy Trust's Charging and Remissions Policy, from time to time voluntary contributions are sought from parents and carers to help fund the cost of educational visits and activities. Parents and carers are notified in advance of seeking such contributions and are not obligated or pressured to pay; they are wholly voluntary. Where parents and carers are unable (or unwilling) to pay, their child(ren) are given equal chance to participate.

### Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	1,522,169 kwh	2,171,762 kwh
Energy consumption break down (kWh) (optional)		
Gas (and oil/biomass)	519,994 kwh	1,236,842 kwh
Electricity	993,647 kwh	920,217 kwh
Transport fuel	8,528 kwh	14,703 kwh
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas (and oil/biomass) consumption	55.06	61.61
Owned transport – mini-buses	0.09	0.00
<u>Total scope 1</u>	<b>55.15</b>	<b>61.61</b>
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	210.90	214.50
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	1.94	3.43
<u>Total emissions in metric tonnes CO2e</u>	<b>268.07</b>	<b>279.58</b>
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.05	0.10
	<b><u>Quantification and Reporting Methodology:-</u></b> We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting. <b><u>Intensity measurement</u></b> The chosen intensity measurement ration is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. <b><u>Measures taken to improve energy efficiency</u></b> We have installed a newly insulated roof at Castle View, replaced light fittings with LED where appropriate and installed new, high efficiency boilers at Waterhouses and Springfield.	

### Plans for Future Periods

The Academy Trust's core purpose remains to provide the best possible educational outcomes for children and young people, regardless of their starting points and for all children and young people to develop and thrive in an environment which supports pupils, students, staff and the community.



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Through the actions of **Question**, **Explore**, **Give**, and **Succeed**, the Academy Trust is driven to improve the life chances of all, to provide high quality education and care to enable every child and young person to develop the knowledge and skills they need to become successful and responsible citizens in modern Britain.

To achieve its purpose and vision the Academy Trust will again focus on its five key goals and will continue to work in collaboration with others. The priority for our schools is to successfully re-establish routines and expectations; fully implement quality assurance; ensure all students and pupils are well prepared for examinations; and re-establish the wider curriculum offer and extra-curricular provision. Our future plans focus on providing high quality teaching, learning and leadership, whilst ensuring well-being remains at the heart of the provision and wherever possible encourage and facilitate cross school collaboration. The operational demands are centred around school life returning to the 'new normal'. Evaluating what worked well during lockdown – particularly with remote learning and identifying gaps in student and pupil knowledge are the starting point for planning. The curriculum is the most important element of provision, and we will be working tirelessly to ensure all young people are in school to benefit from teaching, learning, social, emotional, spiritual and mental health and well-being in all settings.

Due to housing growth in and around Ashbourne, the demand for school places at Queen Elizabeth's Grammar School is increasing and following a successful application to the DfE in Summer 2020, the school will expand to provide more places. This project has been delayed but construction works, to be funded largely by capital grants from Derbyshire County Council, are expected to start in January 2022 for a period of around 12 months.

In the Autumn Term of 2021/22, the Trust will be making an application to the DfE to make another significant change, but this time at Chellaston Academy. Subject to its approval, Derby City Council will grant fund a major internal redesign of one of the teaching blocks to ensure the physical space supports the delivery of the curriculum.

There will also be building condition improvement works at Queen Elizabeth's Grammar School and Chellaston Academy (roof replacements) and Springfield Junior School (replacement windows).

The Academy Trust's work with the Derby Opportunity Area, and the network of organisations involved, will continue, alongside the Executive Headteacher/Chief Executive working as a National Leader of Education and providing bespoke school to school support to others. The Academy Trust will also continue to work with a range of Educational Improvement Consultants to provide external quality assurance where appropriate/needed.

The Academy Trust is committed to improving pupil and student outcomes, not only in its academies, but much wider. The Academy Trust is in discussion with a number of other schools in the Derby City, South Derbyshire, Derbyshire Dales and Staffordshire Moorlands areas, about the educational benefits of being part of QEGSMAT, as the Academy Trust seeks to grow and develop over time.

The Academy Trust's growth will be measured and capacity driven so that the quality of its school improvement and resource management work is not compromised. The Academy Trust aims to be a centre for outstanding learning and teaching, providing for the communities it serves with the best education, curriculum, opportunities, facilities and resources available.

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

#### **Funds held as custodian on behalf of others**

In the period under review, neither the Academy Trust nor its Trustees were acting as custodian Trustees, and no funds were held on behalf of others, other than the bursary grants as detailed in Note 34.

#### **Disclosure of information to auditors**

In so far as the Trustees are aware:

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

#### **Auditors**

The auditors, PKF Smith Cooper Audit Limited, St. Helens House, King Street Cathedral Quarter, Derby, DE1 3EE have been re-appointed as auditors for the financial year 2021/2022.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 13 December 2021 and signed on its behalf by:



.....  
**Mrs J Shepherd**  
(Chair of Trustees)



## **QEGSMAT**

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### **GOVERNANCE STATEMENT**

#### **Scope of responsibility**

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

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

The Board of Trustees has delegated to the Executive Headteacher/Chief Executive, as Accounting Officer, the day-to-day responsibility of 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 QEGSMAT and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

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### GOVERNANCE STATEMENT (CONTINUED)

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The board of Trustees has formally met 6 times during the 2020/2021 academic year.

Attendance during the 2020/2021 academic year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J Shepherd, Chair of Trustees	6	6
Mr H Tresidder, Vice Chair and Chair of Finance, Audit and Risk Committee	6	6
Mrs A Martin, Executive Headteacher / Chief Executive and Accounting Officer	6	6
Mr S Smith	4	6
Mrs R Schofield	6	6
Mr K Wesley	4	6
Mrs V Longson	5	6
Mr P Stanyer, Co-Chair of Performance Committee	6	6
Mr M Mallender	1	1
Mr S Khaliq	4	4
Mr A Evans	4	6
Mrs S Hall, Co-Chair of Performance Committee	6	6

All meetings were quorate and Trustees provided support and robust challenge to ensure improved outcomes for all pupils and students, and the efficient use of resources.

During the year under review there were key changes to the composition of the Board.

Mr Mark Mallender resigned on 15 October 2020 to take up the position of Member, representing the Derby Diocesan Board of Education. On 19 November 2020, the Derby Diocesan Board of Education appointed Mr Shakher Khaliq as his replacement. Mr Khaliq, who has a proven track record in financial management, was subsequently appointed to the Finance, Audit and Risk Committee by the Board of Trustees.

The term of office of Mr Keith Wesley, appointed by the Old Trust, came to an end on the 31 March 2021, and he was re-appointed for a further four years.

The Board of Trustees has appointed a number of sub-committees to ensure robust oversight of the Academy Trust is maintained, and the scope of their work is set out in clear, written terms of reference. Each committee provides rigorous scrutiny of the educational and financial performance of the academies, and in addition to the six meetings of the Trust Board, there were sub-committee meetings as follows:

**Finance, Audit and Risk** – the committee met six times during the year to keep the financial performance of the Academy Trust under review. Financial sustainability and effective financial management was a focus, whilst ensuring the highest value for money and the efficient use of resources to improve education.

**QEGSMAT****(A company limited by guarantee)****GOVERNANCE STATEMENT (CONTINUED)****Governance (continued)**

Attendance during the 2020/2021 academic year at meetings was as follows:

Trustee/Key management	Meetings attended	Out of a possible
Mr H Tresidder	6	6
Mrs J Shepherd	5	6
Mrs A Martin	6	6
Mr P Stanyer	6	6
Mr A Evans	4	6
Mr S Khaliq	1	3
Mrs L Key	6	6

The Academy Trust's auditors were in attendance at the November meeting where the annual audited accounts for the period ending 31 August 2020 were presented for consideration.

**Performance Committee** – this committee met twice during the year to oversee the educational performance of the Trust and its academies. Formerly the committee operated as two separate committees, the Primary Phase Committee and the Secondary Phase Committee, but was amalgamated into one in January 2021. The committee is co-chaired by Mr Phil Stanyer (Primary lead) and Mrs Sue Hall (Secondary lead).

Attendance during the 2020/2021 academic year at meetings was as follows:

Trustee/ Key management	Meetings attended	Out of a possible
Mr P Stanyer	2	2
Mrs S Hall	2	2
Mrs V Longson	2	2
Mr K Wesley	1	2
Mr H Tresidder	2	2
Mrs A Martin	2	2
Mrs L Key	2	2
Mrs B Smith	2	2
Mr D Wood	2	2

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### **GOVERNANCE STATEMENT (CONTINUED)**

#### **Review of value for money**

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the 2020/2021 academic year by:

#### **Targeting its Resources Effectively**

The Academy Trust's resources have been targeted at educational improvement for the benefit of all pupils and students. A curriculum led approach to financial planning was taken and resources were targeted at key school improvement priorities. Staffing levels were kept under review, and more efficient and effective working practices were introduced, particularly in relation to HR and data management. The roles and responsibilities of staff, both teaching and non-teaching, were kept under review and some roles and responsibilities altered to improve efficiency and effectiveness. As a consequence of lockdown and remote learning, the curriculum was adapted and the sequence of areas taught re-ordered. Gaps in knowledge and understanding were addressed through swift, targeted intervention to support the recovery curriculum. The pupil premium, and funding received to support those pupils and students with special educational needs and/or disabilities, was also targeted at the delivery of the curriculum.

There was a continuous drive to improve the quality of teaching and learning, despite the schools being closed to the majority of pupils for periods of the year. The Academy Trust supported the training and development of its workforce and implemented training for online approaches to distance learning and to organising meetings to aid collaboration. The Academy Trust utilised the apprenticeship levy to upskill a number of its support staff and a number of teachers and leaders engaged with national professional qualifications.

Capital investment was also targeted at the Academy Trust's key premises and ICT priorities.

#### **Purchasing Reviews**

The Academy Trust has stringent purchasing procedures in place and these were consistently implemented through the year. The approved supplier list was kept under review and regular market tests were conducted to ensure the highest value for money from purchases.

In the period under review the Academy Trust focussed on its energy contracts, agency supply rates and recruitment advertising, and successfully negotiated some discounted rates.

Value for money was further improved when a new, more flexible, cloud hosted telephone system with lower line rental and call charges was implemented. As well as bringing financial advantages to the Academy Trust, the cloud-hosting enabled telephone contact to be maintained safely with staff and parents during school closure periods.

In accordance with the Academy Trust's financial procedures, formal tender processes were undertaken in relation to big items of expenditure including the purchase of ICT equipment, the expansion of Queen Elizabeth's Grammar School, the building condition improvement projects at Queen Elizabeth's Grammar School and Springfield and the supply of new printing and copying devices at Queen Elizabeth's Grammar School, City of Derby and Springfield.

Where possible, the Academy Trust procured goods and services on behalf of its academies to benefit from economies of scale, for example, when purchasing health and hygiene supplies.

#### **Reviewing Financial Controls**

The Academy Trust's financial operations and internal financial control framework were kept under review to ensure the safety and security of the cash and other assets. The Academy Trust continues to operate a rigorous and robust internal financial control framework, tested by independent auditors three times per annum.

## **QEGSMAT**

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### **GOVERNANCE STATEMENT (CONTINUED)**

#### **Review of value for money (continued)**

Robust governance, and oversight and scrutiny of the Academy Trust's finances was a focus. The Finance, Audit and Risk Committee and Trust Board receive and review comprehensive reports on the Academy Trust's financial performance, and the Trust Board remains responsible for all significant financial decisions.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. During the year under review, and up to the date of approval of the Annual Report and Financial Statements, the Academy Trust's system of internal financial control remained strong.

#### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Board of Trustees.

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

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has decided to buy-in an internal audit service from Barber, Harrison and Platt Limited.

The Board of Trustees has to buy-in an internal audit service from Barber Harrison & Platt, whose role includes giving advice on financial and other matters and to perform a range of checks on the Academy Trust's financial and other systems. In particular the checks carried out in the period under review include:

- Testing of payroll systems;
- Testing of purchasing systems;
- Testing of control account/bank reconciliations;
- Testing of controls around other areas such as fixed assets, expense claims, credit card transactions, petty cash income, related party transactions and other compliance matters.

The reviewer reports to the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Academy Trust's internal auditor has delivered its schedule of work for the 2020/2021 academic year as planned and has raised no material issues as a result of its work.

## **QEGSMAT**

**(A company limited by guarantee)**

### **GOVERNANCE STATEMENT (CONTINUED)**


#### **Review of effectiveness**

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

- Internal auditor;
- External auditor;
- Academy Trust's Director of Finance and Operations, who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 13 December 2021 and signed on their behalf by:



.....  
**Jane Shepherd**  
Chair of Trustees



.....  
**Anne Martin**  
Accounting Officer

**QEGSMAT**

**(A company limited by guarantee)**

**REGISTERED NUMBER: 07698914**

## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of QEGSMAT I have considered my responsibility to notify the Academy Trust's Board of Trustees and the ESFA of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of all 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 2020.

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

A handwritten signature in black ink, appearing to read 'Anne Martin', with a stylized, cursive script.

**Anne Martin** Accounting Officer

Date: 13 December 2021

## **QEGSMAT**

**(A company limited by guarantee)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 13 December 2021 and signed on its behalf by:



.....  
**Mrs J Shepherd**  
(Chair of Trustees)



## **QEGSMAT**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF QEGSMAT**

#### **Opinion**

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

In our opinion the financial statements:

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

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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

## **QEGSMAT**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF QEGSMAT (CONTINUED)**

#### **Other information**

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

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

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

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

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

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

#### **Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust'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 Academy Trust or to cease operations, or have no realistic alternative but to do so.

## **QEGSMAT**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF QEGSMAT (CONTINUED)**

#### **Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified that the principal risk of fraud or noncompliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions
- non-compliance with the Academy Financial Handbook and Accounts Direction

We focussed on those area that could give rise to a material misstatement in the Company financial statements.

Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias. In particular review of pension liabilities.
- A separate limited scope regularity review has been undertaken in respect of compliance with the Academy Financial Handbook and our report in respect of this is contained within the financial statements.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

**QEGSMAT**

**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
QEGSMAT (CONTINUED)**

**Use of our report**

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

*PKF Smith Cooper Audit Limited*

**James Delve (Senior statutory auditor)**

for and on behalf of

**PKF Smith Cooper Audit Limited**

Chartered Accountants

Statutory Auditors

St Helen's House

King Street

Derby

DE1 3EE

14 December 2021

## **QEGSMAT**

**(A company limited by guarantee)**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QEGSMAT AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 3 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by QEGSMAT during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of QEGSMAT's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of QEGSMAT's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to allow us to draw our conclusions includes:

- Planned our assurance procedures including identifying key risks
- Carried out a program of substantive testing, including a review of the program of work and findings in relation to internal scrutiny
- Undertook controls testing where considered appropriate
- Concluded on the procedures undertaken

**QEGSMAT**

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QEGSMAT  
AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

PKF Smith Cooper Audit Limited

James Delve  
**PKF Smith Cooper Audit Limited**  
Chartered Accountants  
Statutory Auditors  
St Helen's House  
King Street  
Derby  
DE1 3EE

Date: 14 December 2021

**QEGSMAT**

(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
<b>Income from:</b>						
Donations and capital grants:	3					
Transfers from local authorities on conversion		132	(396)	126	(138)	-
Transfers from other trusts		-	(953)	39,688	38,735	-
Other donations and capital grants		-	29	758	787	349
Charitable activities	4	-	20,587	-	20,587	16,280
Other trading activities	5	118	-	-	118	102
Investments	6	2	-	-	2	12
<b>Total income</b>		<b>252</b>	<b>19,267</b>	<b>40,572</b>	<b>60,091</b>	<b>16,743</b>
<b>Expenditure on:</b>						
Charitable activities	8	68	21,045	1,299	22,412	18,241
<b>Total expenditure</b>		<b>68</b>	<b>21,045</b>	<b>1,299</b>	<b>22,412</b>	<b>18,241</b>
<b>Net income/(expenditure)</b>		<b>184</b>	<b>(1,778)</b>	<b>39,273</b>	<b>37,679</b>	<b>(1,498)</b>
Transfers between funds	21	(168)	(88)	256	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>16</b>	<b>(1,866)</b>	<b>39,529</b>	<b>37,679</b>	<b>(1,498)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	30	-	(3,526)	-	(3,526)	1,140
<b>Net movement in funds</b>		<b>16</b>	<b>(5,392)</b>	<b>39,529</b>	<b>34,153</b>	<b>(358)</b>

**QEGSMAT****(A company limited by guarantee)****STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Restricted fixed asset funds</b>	<b>Total funds</b>	<i>Total funds</i>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<i>2020</i>
<b>Note</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<i>£000</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	<b>438</b>	<b>(7,357)</b>	<b>54,624</b>	<b>47,705</b>	<i>48,063</i>
Net movement in funds	<b>16</b>	<b>(5,392)</b>	<b>39,529</b>	<b>34,153</b>	<i>(358)</i>
<b>Total funds carried forward</b>	<b>454</b>	<b>(12,749)</b>	<b>94,153</b>	<b>81,858</b>	<i>47,705</i>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 42 to 74 form part of these financial statements.



**QEGSMAT**

(A company limited by guarantee)  
 REGISTERED NUMBER: 07698914

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Intangible assets	15	-	-
Tangible assets	16	92,986	53,897
		<u>92,986</u>	<u>53,897</u>
<b>Current assets</b>			
Stocks	17	5	6
Debtors	18	1,378	599
Cash at bank and in hand	26	5,010	3,249
		<u>6,393</u>	<u>3,854</u>
Creditors: amounts falling due within one year	19	(1,646)	(1,248)
<b>Net current assets</b>		<u>4,747</u>	<u>2,606</u>
<b>Total assets less current liabilities</b>		<u>97,733</u>	<u>56,503</u>
Creditors: amounts falling due after more than one year	20	(16)	(21)
<b>Net assets excluding pension liability</b>		<u>97,717</u>	<u>56,482</u>
Defined benefit pension scheme liability	30	(15,859)	(8,777)
<b>Total net assets</b>		<u><u>81,858</u></u>	<u><u>47,705</u></u>

**QEGSMAT****(A company limited by guarantee)****REGISTERED NUMBER: 07698914****BALANCE SHEET (CONTINUED)  
AS AT 31 AUGUST 2021**

			<b>2021</b>	<b>2020</b>
	<b>Note</b>		<b>£000</b>	<b>£000</b>
<b>Funds of the Academy Trust</b>				
<b>Restricted funds:</b>				
Fixed asset funds	21	<b>94,153</b>	54,624	
Restricted income funds	21	<b>3,110</b>	1,420	
Restricted funds excluding pension asset	21	<b>97,263</b>	56,044	
Pension reserve	21	<b>(15,859)</b>	(8,777)	
<b>Total restricted funds</b>	21		<b>81,404</b>	<b>47,267</b>
<b>Unrestricted income funds</b>	21		<b>454</b>	<b>438</b>
<b>Total funds</b>			<b>81,858</b>	<b>47,705</b>

The financial statements on pages 37 to 74 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


**Mrs J Shepherd**

(Chair of Trustees)

Date: 13 December 2021

The notes on pages 42 to 74 form part of these financial statements.

**QEGSMAT****(A company limited by guarantee)****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>Note</b>	<b>2021 £000</b>	<b>2020 £000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	<b>41,395</b>	67
<b>Cash flows from investing activities</b>	25	<b>(39,629)</b>	(146)
<b>Cash flows from financing activities</b>	24	<b>(5)</b>	(5)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>1,761</b>	(84)
Cash and cash equivalents at the beginning of the year		<b>3,249</b>	3,333
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	26, 27	<b>5,010</b>	3,249
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 42 to 74 form part of these financial statements

## **QEGSMAT**

**(A company limited by guarantee)**

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

#### **1. Accounting policies**

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

##### **1.1 Basis of preparation of financial statements**

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

QEGSMAT meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in Sterling which is the functional currency of the Academy Trust and rounded to the nearest £'000.

##### **1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 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.

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

**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

• **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

**1.4 Expenditure**

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

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

**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **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 inclusive of irrecoverable VAT.

**1.5 Taxation**

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

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

**1.6 Intangible assets**

Intangible assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 33 % Straight line
-------------------	----------------------

**1.7 Tangible fixed assets**

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

**1. Accounting policies (continued)**

**1.7 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Freehold land and buildings	- Over the useful economic life
Leasehold property	- Over the useful economic life or the remaining length of the lease, whichever is shorter.
Improvement to property (included within leasehold property)	- 10% Straight Line
Furniture and equipment	- 20% Straight Line
Plant and equipment	- 10% Straight Line
Computer equipment	- 33% Straight Line
Motor vehicles	- 25% Straight Line
Asset under construction	- No depreciation charge until the project is completed

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

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.

Certain land occupied and used by Queen Elizabeth's Grammar School belongs to the Old Trust, and as such is not included on the balance sheet of the Academy Trust. No charge is made in the Statement of Financial Activities to reflect the use of this land and it has an infinite life, therefore would not be depreciated. The Old Trust have confirmed that the land will be available for the use of the school for as long as required.

Additional land occupied by Waterhouses CE Primary Academy and St John's CofE Primary are under a church settlement agreement. Under these agreements the land and buildings are not included on the balance sheet of the Academy Trust. No charge is made in the Statement of Financial Activities to reflect the use of this land as the rent is at a peppercorn rate.

**1.8 Stocks**

Unsold uniforms are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

The Academy Trust also utilises deposit accounts for surplus funds, these vary from 3 to 12 months fixed term.

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

**1. Accounting policies (continued)**

**1.11 Liabilities and provisions**

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.

**1.12 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 bases are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**1.13 Operating leases**

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



## **QEGSMAT**

**(A company limited by guarantee)**

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

#### **1. Accounting policies (continued)**

##### **1.14 Pensions**

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

##### **1.15 Fund accounting**

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

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

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

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

**QEGSMAT****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. Income from donations and capital grants**

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Transfers from other trusts	-	(953)	39,688	<b>38,735</b>	-
Transfers from local authorities on conversion	132	(396)	126	<b>(138)</b>	-
	<u>132</u>	<u>(1,349)</u>	<u>39,814</u>	<u><b>38,597</b></u>	<u>-</u>
Donations	-	29	89	<b>118</b>	38
Capital Grants	-	-	108	<b>108</b>	64
Condition improvement fund	-	-	561	<b>561</b>	247
	<u>-</u>	<u>29</u>	<u>758</u>	<u><b>787</b></u>	<u>349</u>
<b>Total 2021</b>	<u>132</u>	<u>(1,320)</u>	<u>40,572</u>	<u><b>39,384</b></u>	<u>349</u>
<i>Total 2020</i>	<u>-</u>	<u>27</u>	<u>322</u>	<u>349</u>	

**QEGSMAT****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****4. Funding for Academy Trust's Educational Operations**

	<b>Restricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
<b>DfE/ESFA grants</b>			
General Annual Grant	17,177	17,177	13,383
Other DfE/ESFA grants			
Start up grant	14	14	25
Pupil premium	966	966	804
Teachers' pay grant	217	217	178
Rates reclaim	94	94	82
PE sports grant	43	43	27
Year 7 catch up	-	-	52
UIFSM	65	65	28
Teachers' pension grant	613	613	-
TCaF	73	73	-
Other	75	75	531
	<b>19,337</b>	<b>19,337</b>	<b>15,110</b>
<b>Other Government grants</b>			
Local authority grants	670	670	603
	<b>670</b>	<b>670</b>	<b>603</b>
<b>Other income from the Academy Trust's educational operations</b>	454	454	527
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Other COVID funding	126	126	40
	<b>126</b>	<b>126</b>	<b>40</b>
	<b>20,587</b>	<b>20,587</b>	<b>16,280</b>
<i>Total 2020</i>	<b>16,280</b>	<b>16,280</b>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

Included within Other income from the Academy Trust's educational operations is £147,133 (2020: £311,746) of School Trip income and £306,488 (2020: £215,481) of Learning resources recovered income.

**QEGSMAT**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****5. Other Trading Activities**

	<b>Unrestricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
General sales	106	<b>106</b>	30
Hire of facilities	12	<b>12</b>	72
<b>Total 2021</b>	<u>118</u>	<u><b>118</b></u>	<u>102</u>
<i>Total 2020</i>	<u>102</u>	<u>102</u>	

**6. Investment income**

	<b>Unrestricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Investment received on short term deposits	2	<b>2</b>	12
<b>Total 2021</b>	<u>2</u>	<u><b>2</b></u>	<u>12</u>
<i>Total 2020</i>	<u>12</u>	<u>12</u>	

**7. Expenditure**

	<b>Staff Costs 2021 £000</b>	<b>Premises 2021 £000</b>	<b>Other 2021 £000</b>	<b>Total 2021 £000</b>	<i>Total 2020 £000</i>
Academy's educational operations:					
Direct costs	12,411	1,299	1,078	<b>14,788</b>	11,625
Support costs	4,947	1,245	1,432	<b>7,624</b>	6,616
<b>Total 2021</b>	<u>17,358</u>	<u>2,544</u>	<u>2,510</u>	<u><b>22,412</b></u>	<u>18,241</u>
<i>Total 2020</i>	<u>13,930</u>	<u>2,166</u>	<u>2,145</u>	<u>18,241</u>	

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

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Educational operations	68	22,344	22,412	18,241
<i>Total 2020</i>	30	18,211	18,241	

**9. Analysis of expenditure by activities**

	Direct costs 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Educational Activities	14,788	7,624	22,412	18,241
<i>Total 2020</i>	11,625	6,616	18,241	

**Analysis of direct costs**

	Total funds 2021 £000	Total funds 2020 £000
Staff costs	12,095	9,543
Depreciation	1,299	1,061
Educational supplies	376	227
Examination fees	262	199
Staff development	57	59
Other direct costs	346	293
Other project costs	298	211
Recruitment	55	32
<b>Total</b>	<b>14,788</b>	<b>11,625</b>

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

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Staff costs	4,947	4,094
Repairs and maintenance	389	310
Cleaning	354	319
Rates	164	150
Heat and light	315	322
Catering	401	355
Legal and professional	241	213
Insurance	73	60
Transport	44	41
Other support costs	222	457
Technology	447	271
Governance costs	27	24
<b>Total</b>	<b>7,624</b>	<b>6,616</b>

No individual transactions exceeding £5,000 occurred under any of the following headings:

- Gifts made by the trust
- Fixed asset losses
- Unrecoverable debts
- Cash losses

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £000</b>	<i>2020 £000</i>
Operating lease rentals	34	34
Depreciation of tangible fixed assets	1,300	1,058
Amortisation of intangible assets	-	3
Fees paid to auditors for:		
Statutory external audit	23	22
Governance internal audit costs	4	2

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

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>12,127</b>	9,696
Social security costs	<b>1,226</b>	969
Pension costs	<b>3,652</b>	2,971
	<b>17,005</b>	13,636
Agency staff costs	<b>315</b>	294
Staff restructuring costs - severance payments	<b>38</b>	-
	<b>17,358</b>	13,930

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs is a non-statutory/non-contractual severance payment totalling £28,000 (2020: £nil).

**c. Staff numbers**

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Teachers	<b>221</b>	189
Administration and Support	<b>177</b>	139
Management	<b>37</b>	29
	<b>435</b>	357

**d. Higher paid staff**

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

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

**11. Staff (continued)**

**d. Higher paid staff (continued)**

	<b>2021 No.</b>	<b>2020 No.</b>
In the band £60,001 - £70,000	<b>2</b>	<b>5</b>
In the band £70,001 - £80,000	<b>6</b>	<b>3</b>
In the band £80,001 - £90,000	<b>1</b>	<b>2</b>
In the band £90,001 - £100,000	<b>1</b>	<b>-</b>
In the band £120,001 - £130,000	<b>1</b>	<b>1</b>
	<b>=====</b>	<b>=====</b>

The above employees participated in either the TPS or LGPS. During the year ended 31 August 2021, pension contributions for these staff members amounted to £207,956 (2020: £175,894).

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and all those on the leadership pay scale. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £2,724,131 (2020 - £2,094,044).

**12. Central services**

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

- Financial Services
- Education Improvement
- Human Resources
- IT
- Assets and Estates

The Academy Trust charges for these services on the following basis:

The charge is based on a flat percentage, charged at 5% of GAG for all academies.

The actual amounts charged during the year were as follows:

	<b>2021 £000</b>	<b>2020 £000</b>
Queen Elizabeth's Grammar School	<b>331</b>	<b>183</b>
Springfield Junior School	<b>52</b>	<b>47</b>
Waterhouses CE Primary School	<b>28</b>	<b>27</b>
City of Derby Academy	<b>283</b>	<b>263</b>
Castleview Primary School	<b>31</b>	<b>27</b>
Chellaston Academy	<b>109</b>	<b>-</b>
St John's CofE Primary School	<b>24</b>	<b>-</b>
<b>Total</b>	<b>=====</b> <b>858</b>	<b>=====</b> <b>547</b>



**QEGSMAT****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****13. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Mrs A Martin, Executive Headteacher / Chief Executive and Accounting Officer	<b>120 - 125</b>	<b>115 - 120</b>
Pension contributions paid	<b>25 - 30</b>	<b>5 - 10</b>

During the year, retirement benefits were accruing to 1 Trustees (2020 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, no expenses were reimbursed to Trustees (2020: £364 to 1 Trustee).

**14. Trustees' and Officers' insurance**

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

**15. Intangible assets**

	<b>Software</b>
	<b>£000</b>
At 1 September 2020	<b>14</b>
Disposals	<b>(14)</b>
	<hr/>
At 31 August 2021	<b>-</b>
	<hr/>
At 1 September 2020	<b>14</b>
On disposals	<b>(14)</b>
	<hr/>
At 31 August 2021	<b>-</b>
	<hr/>
<b>Net book value</b>	
At 31 August 2021	<b>-</b>
	<hr/> <hr/>
At 31 August 2020	<b>-</b>
	<hr/> <hr/>

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

**16. Tangible fixed assets**

	Freehold land and buildings £000	Leasehold property £000	Furniture and equipment £000	Plant and equipment and computer equipment £000	Motor vehicles £000	Assets under constr- uction £000	Total £000
<b>Cost or valuation</b>							
At 1 September 2020	36,023	22,288	307	555	-	155	59,328
Additions	39,554	276	60	388	5	106	40,389
Disposals	-	(3)	(230)	(306)	-	-	(539)
Transfers between classes	-	69	-	-	-	(69)	-
At 31 August 2021	<u>75,577</u>	<u>22,630</u>	<u>137</u>	<u>637</u>	<u>5</u>	<u>192</u>	<u>99,178</u>
<b>Depreciation</b>							
At 1 September 2020	1,585	3,254	257	335	-	-	5,431
Charge for the year	627	545	22	105	1	-	1,300
On disposals	-	(3)	(230)	(306)	-	-	(539)
At 31 August 2021	<u>2,212</u>	<u>3,796</u>	<u>49</u>	<u>134</u>	<u>1</u>	<u>-</u>	<u>6,192</u>
<b>Net book value</b>							
At 31 August 2021	<u>73,365</u>	<u>18,834</u>	<u>88</u>	<u>503</u>	<u>4</u>	<u>192</u>	<u>92,986</u>
At 31 August 2020	<u>34,437</u>	<u>19,034</u>	<u>51</u>	<u>220</u>	<u>-</u>	<u>155</u>	<u>53,897</u>

## QEGSMAT

(A company limited by guarantee)

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

#### 16. Tangible fixed assets (continued)

When Queen Elizabeth's Grammar School converted to an Academy, the ownership of existing school land, buildings and other assets were transferred to the Academy Trust from the Local Education Authority, at no cost, on a 125 year lease.

The Trustees regarded the value of the land and buildings to be so significant as to warrant a full external valuation at 1 August 2011.

The valuation was undertaken by David Brown Commercial, an independent RICS qualified surveyor on a depreciated replacement cost (DRC) basis. The DRC valuation includes all estimated costs of replacing the assets, including finance costs.

The DRC valuation of leasehold land and buildings recognised in the financial statements at 1st August 2011 was £15,500,000 including £1,750,000 in respect of land. The assets are now depreciated over their remaining estimated useful economic life.

Certain land occupied and used by Queen Elizabeth's Grammar School belongs to the Old Trust, and as such is not included on the balance sheet of the Academy Trust. No charge is made in the Statement of Financial Activities to reflect the use of this land as it has an infinite life, and would not therefore be depreciated. The Old Trust have confirmed that the land will be available for the use of the school for as long as the school requires it.

When Waterhouses CE Primary School converted to an academy on 1 April 2017 the ownership of existing school land, and other assets were transferred to the Academy Trust from the Local Authority, at no cost, on a 125 year lease. The DRC valuation of the land was £92,000 which is now depreciated over the length of the lease. The agreement with the diocese for use of the buildings at Waterhouses CE Primary School is in substance purely a licence to occupy the buildings and as such no amount has been recognised on the Academy Trust balance sheet in relation to these buildings.

When Springfield Junior School converted to an academy on 1 June 2017 the ownership of existing school land, buildings and other assets were transferred to the Academy Trust from the Local Authority, at no cost, on a 125 year lease.

The DRC valuation of the leasehold and buildings recognised in the financial statements at 1 June 2017 was £3,585,000 including £1,785,000 in respect of land. The assets are now depreciated over their remaining estimated useful life.

When City of Derby Academy transferred to the Trust on 1 September 2017 the ownership of existing school land, and other assets were transferred to the Academy Trust from the predecessor trust, at no cost on a freehold basis.

The DRC valuation of the freehold and buildings recognised in the financial statements at 1 September 2017 was £36,022,604 including £9,600,000 in respect of land. The assets are now depreciated over their remaining estimated useful life, no depreciation is charged on land.

When Castle View School converted to an academy on 1 February 2018 the ownership of existing school land, and other assets were transferred to the Academy Trust from the Local Authority, at no cost, on a 125 year lease.

The DRC valuation of the leasehold and buildings recognised in the financial statements at 1 February 2018 was £2,458,486 including £1,436,535 in respect of land. The assets are now depreciated over their remaining estimated useful life.

When St John's CofE Primary School converted to an academy on 1 January 2021 the ownership of existing school land, and other assets were transferred to the Academy Trust from the Local Authority, at no cost, on a 125 year lease. The DRC valuation of the land was £80,000 which is now depreciated over the length of the lease. The agreement with the diocese for use of the buildings at St John's CofE Primary

**QEGSMAT****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****16. Tangible fixed assets (continued)**

School is in substance purely a licence to occupy the buildings and as such no amount has been recognised on the Academy Trust balance sheet in relation to these buildings.

When Chellaston Academy transferred to the Trust on 1 June 2021 the ownership of existing school land, and other assets were transferred to the Academy Trust from the predecessor trust, at no cost on a freehold basis.

The DRC valuation of the leasehold and buildings recognised in the financial statements at 1 June 2021 was £39,554,589 including £14,940,000 in respect of land. The assets are now depreciated over their remaining estimated useful life.

Assets under construction include the capital expenditure of "Children's Services - S106 Project" funding. These are initial works made on a new 2 storey building on the Boothby site. Amounts received total £700,818 which have been recognised in full in previous years and shown separately within the restricted fixed asset funds.

Other assets under construction in the current year include the roof projects at Chelleston and QEGS and the replacement windows project at Springfield. All projects are still ongoing at the year end and are CIF funded.

Other assets under construction in the prior year included work in progress on a conditional improvement grant project at Waterhouses CE Primary School to upgrade the Hot and Cold pipework and heating system. The work has been completed and the asset has been transferred to improvements to properties.

**Land**

Included in the net book value of property displayed above are the following amounts ascribable to land:

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Freehold land	<b>24,540</b>	<i>9,600</i>
Long-term leasehold land	<b>4,976</b>	<i>4,896</i>
	<b>29,516</b>	<i>14,496</i>

**17. Stocks**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Uniforms	<b>5</b>	<i>6</i>

**QEGSMAT****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****18. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Due within one year</b>		
Trade debtors	<b>35</b>	<b>1</b>
Other debtors	<b>731</b>	<b>142</b>
Prepayments and accrued income	<b>612</b>	<b>456</b>
	<b>1,378</b>	<b>599</b>

An impairment against trade debtors of £NIL has been recognised during the year (2020: £53).

**19. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Other loans	<b>5</b>	<b>5</b>
Trade creditors	<b>486</b>	<b>328</b>
Other taxation and social security	<b>398</b>	<b>232</b>
Other creditors	<b>98</b>	<b>245</b>
Accruals and deferred income	<b>659</b>	<b>438</b>
	<b>1,646</b>	<b>1,248</b>

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Deferred income at 1 September 2020	<b>141</b>	<b>135</b>
Resources deferred during the year	<b>400</b>	<b>116</b>
Amounts released from previous periods	<b>(130)</b>	<b>(110)</b>
	<b>411</b>	<b>141</b>

At the balance sheet date the Academy Trust was holding funds of £11,337 received in advance for start up grants, £74,473 in relation to rates adjustments, £44,782 in relation to sports premium, £260,547 in relation to Covid Catch up funding, and £19,883 made up of immaterial deferrals.

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**20. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Other loans	<b>16</b>	<i>21</i>
	<b>=====</b>	<i>=====</i>

Included within the above are amounts falling due as follows:

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
<b>Between one and two years</b>		
Other loans	<b>5</b>	<i>5</i>
	<b>=====</b>	<i>=====</i>
<b>Between two and five years</b>		
Other loans	<b>9</b>	<i>14</i>
	<b>=====</b>	<i>=====</i>
<b>Over five years</b>		
Other loans	<b>2</b>	<i>2</i>
	<b>=====</b>	<i>=====</i>

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Repayable by installments	<b>2</b>	<i>2</i>
	<b>=====</b>	<i>=====</i>

The loan was entered into before conversion to an Academy and is an interest free loan entered into with Salix Finance Ltd as part of the energy loans programme. Repayments are made twice a year over an 8 year period.

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

**21. Statement of funds**

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
<b>Unrestricted funds</b>						
General Funds	438	252	(68)	(168)	-	454
<b>Restricted general funds</b>						
Restricted Funds - other	1,420	2,473	(1,995)	1,212	-	3,110
GAG	-	17,177	(17,177)	-	-	-
Pupil premium	-	966	(966)	-	-	-
Transfers into the Trust	-	(1,349)	-	1,349	-	-
Pension reserve	(8,777)	-	(907)	(2,649)	(3,526)	(15,859)
	<u>(7,357)</u>	<u>19,267</u>	<u>(21,045)</u>	<u>(88)</u>	<u>(3,526)</u>	<u>(12,749)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds - other	53,896	-	(1,299)	40,389	-	92,986
S106 Capital Grant	616	-	-	(56)	-	560
DfE Group Capital Grants	112	249	-	(155)	-	206
Capital Donations	-	89	-	(89)	-	-
Transfers into the Trust	-	39,793	-	(39,793)	-	-
CIF projects	-	441	-	(40)	-	401
	<u>54,624</u>	<u>40,572</u>	<u>(1,299)</u>	<u>256</u>	<u>-</u>	<u>94,153</u>
<b>Total Restricted funds</b>	<u>47,267</u>	<u>59,839</u>	<u>(22,344)</u>	<u>168</u>	<u>(3,526)</u>	<u>81,404</u>
<b>Total funds</b>	<u>47,705</u>	<u>60,091</u>	<u>(22,412)</u>	<u>-</u>	<u>(3,526)</u>	<u>81,858</u>

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

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

**21. Statement of funds (continued)**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives 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 Department for Education where the asset required or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department of Education and only be used for the purpose that the grants were intended. The main grant received within these funds is the GAG.

The DfE Group grant is received from the ESFA specifically for the purchase and maintenance of capital items.

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



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

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

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
<b>Unrestricted funds</b>						
General Funds	431	114	(30)	(77)	-	438
<b>Restricted general funds</b>						
Restricted Funds - other	1,478	2,083	(2,069)	(72)	-	1,420
GAG	-	13,383	(13,383)	-	-	-
Pupil premium	-	816	(816)	-	-	-
Transfers into the Trust	-	25	(25)	-	-	-
Pension reserve	(9,060)	-	(857)	-	1,140	(8,777)
	<u>(7,582)</u>	<u>16,307</u>	<u>(17,150)</u>	<u>(72)</u>	<u>1,140</u>	<u>(7,357)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds - other	54,480	-	(1,061)	477	-	53,896
Restricted fixed asset funds - other	624	-	-	(8)	-	616
S106 Capital Grant	110	311	-	(309)	-	112
DfE Group Capital Grants	-	11	-	(11)	-	-
	<u>55,214</u>	<u>322</u>	<u>(1,061)</u>	<u>149</u>	<u>-</u>	<u>54,624</u>
<b>Total Restricted funds</b>	<u>47,632</u>	<u>16,629</u>	<u>(18,211)</u>	<u>77</u>	<u>1,140</u>	<u>47,267</u>
<b>Total funds</b>	<u>48,063</u>	<u>16,743</u>	<u>(18,241)</u>	<u>-</u>	<u>1,140</u>	<u>47,705</u>

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**21. Statement of funds (continued)**

**Total funds analysis by Academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000	2020 £000
QEGSMAT	3,564	1,858
Restricted fixed asset fund	94,153	54,624
Pension reserve	(15,859)	(8,777)
<b>Total</b>	<b>81,858</b>	<b>47,705</b>

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
Waterhouses CE Primary Academy	395	85	40	150	670	690
Springfield Junior School	1,060	122	76	202	1,460	1,363
Queen Elizabeth's Grammar School	5,870	420	377	874	7,541	7,411
QEGSMAT	558	279	40	45	922	731
City of Derby Academy	4,696	336	422	1,022	6,476	6,097
Castle View Primary School	613	71	80	150	914	888
Chellaston Academy	1,687	251	133	429	2,500	-
St John's CofE Primary School	451	40	22	117	630	-
<b>Academy Trust</b>	<b>15,330</b>	<b>1,604</b>	<b>1,190</b>	<b>2,989</b>	<b>21,113</b>	<b>17,180</b>

**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £000</b>	<b>Restricted funds 2021 £000</b>	<b>Restricted fixed asset funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Tangible fixed assets	-	-	92,986	<b>92,986</b>
Current assets	454	4,772	1,167	<b>6,393</b>
Creditors due within one year	-	(1,646)	-	<b>(1,646)</b>
Creditors due in more than one year	-	(16)	-	<b>(16)</b>
Provisions for liabilities and charges	-	(15,859)	-	<b>(15,859)</b>
<b>Total</b>	<b>454</b>	<b>(12,749)</b>	<b>94,153</b>	<b>81,858</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Restricted fixed asset funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Tangible fixed assets	-	-	53,897	<b>53,897</b>
Current assets	438	2,689	727	<b>3,854</b>
Creditors due within one year	-	(1,248)	-	<b>(1,248)</b>
Creditors due in more than one year	-	(21)	-	<b>(21)</b>
Provisions for liabilities and charges	-	(8,777)	-	<b>(8,777)</b>
<b>Total</b>	<b>438</b>	<b>(7,357)</b>	<b>54,624</b>	<b>47,705</b>

**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2021 £000	2020 £000
Net income/(expenditure) for the year (as per Statement of financial activities)	<b>37,679</b>	<b>(1,498)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation charges	1,300	1,061
Capital grants from DfE and other capital income	(758)	(322)
Dividends, interest and rents from investments	(2)	(12)
LGPS scheme cost less contributions payable	740	678
LGPS pension cost	167	179
Decrease/(increase) in stocks	1	(4)
Increase in debtors	(779)	(162)
Increase in creditors	398	145
LGPS deficits transferred	2,649	-
Other adjustments	-	2
<b>Net cash provided by operating activities</b>	<b>41,395</b>	<b>67</b>

**24. Cash flows from financing activities**

	2021 £000	2020 £000
Repayments of borrowing	(5)	(5)

**25. Cash flows from investing activities**

	2021 £000	2020 £000
Dividends, interest and rents from investments	2	12
Purchase of tangible fixed assets	(596)	(480)
Transfer of capital assets on conversion	(39,793)	-
Capital grants from DfE	669	311
Capital funding received from sponsors and others	89	11
<b>Net cash used in investing activities</b>	<b>(39,629)</b>	<b>(146)</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. Analysis of cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Cash in hand and at bank	<b>3,764</b>	<b>1,653</b>
Short term deposit accounts	<b>1,246</b>	<b>1,596</b>
<b>Total cash and cash equivalents</b>	<b>5,010</b>	<b>3,249</b>

**27. Analysis of changes in net debt**

	<b>At 1 September 2020 £000</b>	<b>Cash flows £000</b>	<b>At 31 August 2021 £000</b>
Cash at bank and in hand	<b>3,249</b>	<b>1,761</b>	<b>5,010</b>
Debt due within 1 year	<b>(5)</b>	<b>-</b>	<b>(5)</b>
Debt due after 1 year	<b>(21)</b>	<b>5</b>	<b>(16)</b>
	<b>3,223</b>	<b>1,766</b>	<b>4,989</b>

**28. Analysis of changes in net debt**

	<b>At 1 September 2019 £000</b>	<b>Cash flows £000</b>	<b>Total funds £000</b>
Cash at bank and in hand	<b>3,333</b>	<b>(84)</b>	<b>3,249</b>
Salix loan	<b>(31)</b>	<b>5</b>	<b>(26)</b>
<b>Total 2021</b>	<b>3,302</b>	<b>(79)</b>	<b>3,223</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**29. Conversion to an academy trust**

On 1 January 2021 St John's CofE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to QEGSMAT from Staffordshire County Council for £NIL consideration.

The transfer has been 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 heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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 funds £000	Restricted fixed asset funds £000	Total funds £000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	-	-	80	<b>80</b>
Other tangible fixed assets	-	-	25	<b>25</b>
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	132	-	21	<b>153</b>
<b>Non-current liabilities</b>				
LGPS	-	(396)	-	<b>(396)</b>
<b>Net assets/(liabilities)</b>	<u>132</u>	<u>(396)</u>	<u>126</u>	<u><b>(138)</b></u>

**30. Pension commitments**

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 Derbyshire County Council and Staffordshire County 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 £95,609 were payable to the schemes at 31 August 2021 (2020 - £244,564) and are included within creditors.

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

#### **30. Pension commitments (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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,030,697 (2020 - £1,563,642).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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.

**NOTES TO THE FINANCIAL STATEMENTS  
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**30. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £893,000 (2020 - £698,000), of which employer's contributions totalled £709,000 (2020 - £547,000) and employees' contributions totalled £ 184,000 (2020 - £151,000). The agreed contribution rates for future years are 21.6 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 29 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

**Principal actuarial assumptions**

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.3 - 3.6</b>	2.6 - 2.9
Rate of increase for pensions in payment/inflation	<b>2.9</b>	2.2
Discount rate for scheme liabilities	<b>1.65</b>	1.7

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

	<b>2021</b>	<b>2020</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males Derbyshire & Staffordshire	<b>21.3 &amp; 21.4</b>	21.6 & 21.2
Females Derbyshire & Staffordshire	<b>23.9 &amp; 24.0</b>	23.7 & 23.6
<i>Retiring in 20 years</i>		
Males Derbyshire & Staffordshire	<b>22.5</b>	22.6 & 22.1
Females Derbyshire & Staffordshire	<b>25.8 &amp; 25.7</b>	25.1 & 25



**NOTES TO THE FINANCIAL STATEMENTS  
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**30. Pension commitments (continued)**

**Sensitivity analysis**

Derbyshire pension fund:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1% (2020: +0.5%)	701	2,009
Discount rate -0.1% (2020: -0.5%)	(701)	(2,009)
Mortality assumption 1 year increase	(1,138)	(628)
Mortality assumption 1 year decrease	1,138	628
Salary rate +0.1% (2020: +0.5%)	(78)	(227)
Salary rate -0.1% (2020: -0.5%)	78	227
Pension increase CPI rate +0.1% (2020: +0.5%)	(613)	(1,744)
Pension increase CPI rate -0.1% (2020: +0.5%)	613	1,744

Staffordshire pension fund:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1% (2020: +0.5%)	54	97
Discount rate -0.1% (2020: -0.5%)	(54)	(97)
Mortality assumption 1 year increase	(76)	(25)
Mortality assumption 1 year decrease	76	25
Salary rate +0.1% (2020: +0.5%)	(7)	(13)
Salary rate -0.1% (2020: -0.5%)	7	13
Pension increase CPI rate +0.1% (2020: +0.5%)	(47)	(82)
Pension increase CPI rate -0.1% (2020: +0.5%)	47	82

**Share of scheme assets**

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Equities	9,483	4,689
Bonds	3,294	1,727
Property	1,015	603
Cash	705	521
<b>Total market value of assets</b>	<b>14,497</b>	<b>7,540</b>

The actual return on scheme assets was £1,654,000 (2020 - £(£167,000)).

**NOTES TO THE FINANCIAL STATEMENTS  
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**30. Pension commitments (continued)**

The amounts recognised in the Statement of financial activities are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Current service cost	(1,449)	(1,225)
Interest income	156	142
Interest cost	(323)	(321)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(1,616)</b>	<b>(1,404)</b>

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September</b>	<b>16,317</b>	<b>16,240</b>
Transfers from local authorities on conversion and other trusts	7,242	-
Current service costs	1,449	1,225
Interest cost	323	321
Employee contributions	184	151
Actuarial losses/(gains)	5,024	(1,449)
Benefits paid	(183)	(171)
<b>At 31 August</b>	<b>30,356</b>	<b>16,317</b>

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September</b>	<b>7,540</b>	<b>7,180</b>
Transfers from local authorities on conversion and other trusts	4,593	-
Interest income	156	142
Actuarial gains/(losses)	1,498	(309)
Employer contributions	709	547
Employee contributions	184	151
Benefits paid	(183)	(171)
<b>At 31 August</b>	<b>14,497</b>	<b>7,540</b>

**NOTES TO THE FINANCIAL STATEMENTS  
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**31. Operating lease commitments**

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

	2021 £000	2020 £000
Not later than 1 year	30	33
Later than 1 year and not later than 5 years	26	3
Later than 5 years	3	-
	<u>59</u>	<u>36</u>

**32. 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.

**33. Related party transactions**

Apart from certain trustees' remuneration and expenses disclosed in note 13, the following related party transactions took place during the year.

During the year costs totalling £380 (2020: £1,250) were incurred from Lichfield Diocese, whose member, Reverent Alan Beahan, is a governor at Waterhouses. There were no balances outstanding at the balance sheet date (2020: £NIL).

During the prior year consultancy services in relation to Stephen Oliver, a member, totalling £1,760. This contract was entered into prior to Stephen Oliver becoming a related party. There were no balances outstanding at the balance sheet date (2020: £NIL).

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

**34. Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In accounting period ending 31 August 2021 the academy trust received £15,696 (2020: £11,566) and distributed £6,676, £1,667 was written forward from the previous year, leaving £9,029 being written forward.

**QEGSMAT****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021****35. Transfer of existing academies into the academy trust**

On 1 June 2021 Chellaston Academy transferred into QEGSMAT from Peak Multi Academy Trust.

**Chellaston Academy**

	<b>Value reported by transferring trust £000</b>	<b>Fair value adjustments £000</b>	<b>Transfer in recognised £000</b>
<b>Tangible fixed assets</b>			
Freehold property	16,849	22,706	<b>39,555</b>
Assets under construction	308	(308)	-
Furniture and equipment	25	108	<b>133</b>
Computer equipment	56	(56)	-
Motor vehicles	1	(1)	-
<b>Current assets</b>			
Stocks	16	(16)	-
Debtors due within one year	952	(30)	<b>922</b>
Cash at bank and in hand	684	-	<b>684</b>
<b>Liabilities</b>			
Creditors due within one year	(285)	(21)	<b>(306)</b>
<b>Pensions</b>			
Pensions - pension scheme assets	4,103	-	<b>4,103</b>
Pensions - pension scheme liabilities	(7,028)	672	<b>(6,356)</b>
<b>Net assets</b>	<u>15,681</u>	<u>23,054</u>	<u><b>38,735</b></u>