

**Company Registration Number: 07698197** (England & Wales)

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**GTS ACADEMY TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	P Villiers P Jarrett I Newberry M Smith
<b>Trustees</b>	A Bloodworth, Head Teacher <sup>1,2</sup> I Newberry, Chair of Trustees <sup>1,2</sup> L Meardon, Parent Governor (resigned 1 November 2020) <sup>1,2</sup> S Anstee, Staff Governor (resigned 31 August 2021) <sup>1</sup> S Meeson, Member Appointed Governor <sup>1</sup> R Higgs, Staff Governor (resigned 15 July 2021) <sup>1</sup> D Smith, Member Appointed Governor (retired 11 January 2021, reappointed 20 May 2021) <sup>2</sup> P Villiers, Co-opted Governor (resigned 14 September 2020) <sup>1,2</sup> L Wall, Co-opted Governor <sup>1,2</sup> M Turnwell, Parent Governor (resigned 17 June 2021) <sup>2</sup> R Hemsworth, Parent Governor <sup>1</sup> D Major, Parent Governor <sup>2</sup> J Stevens, Parent Governor <sup>1</sup> L Meardon, Member Appointed Governor (appointed 1 November 2020, resigned 15 July 2021) <sup>1,2</sup>  <sup>1</sup> Teaching and Learning <sup>2</sup> Resources
<b>Company registered number</b>	07698197
<b>Company name</b>	GTS Academy Trust
<b>Principal and Registered office</b>	Calvesford Road Great Torrington Devon EX38 7DJ
<b>Company secretary</b>	J Pateman
<b>Accounting officer</b>	Andrew Bloodworth
<b>Senior Leadership Team</b>	A Bloodworth*, Head Teacher J Royse*, Deputy Head Teacher J Buss*, Head of Operations J Stanier, Assistant Head - Teaching & Learning H Whiterod, Assistant Head - Transition & INCO N Miller-Marshall, Assistant Head - Pastoral and Behaviour Support  Member of Key Management Personnel but not Senior Leadership Team K Roach*, Chief Financial Officer

\*Key Management Personnel for the purpose of disclosure in the financial statements.

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
<b>Bankers</b>	Lloyds Bank 5 High Street Bideford Devon EX39 2AD
<b>Solicitors</b>	Foot Anstey The Quad Blackbrook Park Avenue Blackbrook Business Park Taunton Somerset TA1 2PX

**GTS ACADEMY TRUST  
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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a secondary academy for pupils aged 11 to 16 in the Great Torrington area of North Devon. It has a pupil capacity of 900 and had a roll of 804 in the school census on 19th January 2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust was incorporated on 8 July 2011 and is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

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

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administration Details.

**Trustees' Liability**

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a Trustee.

**Trustees' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

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

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 5 Trustees who are appointed by members.
- up to 5 Parent Trustees who are elected by Parents of registered pupils at the Academy.
- up to 2 staff Trustees appointed by members.
- up to 3 Co-opted Trustees who are appointed by the Trustee board.
- the Headteacher who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. The skills and experience necessary to the board to carry out its functions will be reviewed regularly to ensure the necessary skills are there.

**Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would normally include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies. Every new Trustee has an experience Trustee appointed as their mentor when first joining the board.

**GTS ACADEMY TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Board of Trustees normally meets twice each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 2 committees as follows;

- Resources Committee - this meets at least six times a year and is responsible for monitoring, evaluating, and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Teaching & Learning Committee - this meets twice a term to monitor, evaluate and review Academy policy, practice, and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day-to-day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, three Assistant Headteachers and the Head of Operations.

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Chief Financial Officer (CFO) and Resources Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts usually always include a Governor.

The Headteacher is the Accounting Officer.

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

All Trustees give their time freely and no Trustee received remuneration in the year in respect of their role as a trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the financial statements.

The pay of key management personnel is reviewed annually in accordance with our Performance Management Policy and Pay Policy. The Academy Trust follows National School Teachers Pay and Conditions Document and the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service.

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

**Trade union facility time**

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	N/A
1%-50%	2
51%-99%	N/A
100%	N/A

Percentage of pay bill spent on facility time

Total cost of facility time	£393
Total pay bill	£4,074,747

**Related Parties and other Connected Charities and Organisations**

Torrige District Council has use of the Academy's leisure facilities and there is a shared use agreement between it and the Academy.

The Academy has strong collaborative links with its 10 feeder primary schools as well as other local schools. During the year the Academy has continued to collaborate with the Dartmoor Teaching Schools Alliance.

There are no related parties which either control or significantly influence the decisions and operations of GTS Academy Trust.

There are no sponsors associated with the Academy.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Charitable Company is the operation of Great Torrington School to provide free education and care for pupils of different abilities.

The aims of the Academy during the year ended 31st August 2021 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum, including extra-curricular activities.
- To develop students as more effective learners.
- To develop the Academy site so that it enables students to achieve their full potential.
- To ensure that every child enjoys the same high-quality education in terms of resourcing, tuition, and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of students who achieve 5 – 9 (or equivalent) GCSE grades including English and Maths.
- To provide value for money for the funds expended.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To maintain close links with industry and commerce
- To develop the Academy's capacity to manage change.

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

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- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

**Objectives, Strategies and Activities**

**Outcomes:**

- Ensure professional integrity and Quantitative evidenced based Centre Assessment Grades (CAGS) that reflect pupils' knowledge and skills following guidance from The Office of Qualifications and Examinations Regulation (Ofqual).
- Moderation and accuracy of data across both Key Stages.
- Implement two Year Key Stage 4 (KS4).
- Improve the outcomes of Modern Foreign Languages with a clear support strategy.
- Improve the outcomes of the Maths Department with a clear support strategy.
- Redefine / Restructure of Pastoral system to support focus and progress at KS4.

**Teaching Learning & Assessment:**

- School and department response to the Education Inspection Framework (EIF) - Intent Implementation Impact.
- Review assessment and reporting procedures.
- Review and implementation of new data management system.
- Embed 'Teach Like a Champion' strategies in teaching practice across the school.
- Develop clear and consistent Lexonic strategy
- Lesson length - greater focus on 50-minute rather 100-minute lessons
- Embed incremental coaching Continuing Professional Development (CPD) program – PASPro
- Respond to impact of Covid-19 – Covid Catch-up

**Behaviour Safety & Wellbeing:**

- Expectations and standards are consistently high and applied by all.
- Review behaviour policy and processes to ensure effective monitoring and response.
- Review attendance policy and processes to ensure effective monitoring and to develop internal interventions.
- Develop a stronger culture of self-discipline.
- Respond to Impact of Covid-19 – pupil well being

**Leadership & Management:**

- Embed the Senior Lead and Raising Standard Lead (RSL) middle leadership structure.
- Design and embed the new Quality Assurance (QA) cycle.
- Line Management Accountability – training and processes to ensure staff held to account.
- Respond to Impact of Covid-19.

**Operational:**

- Facilities improvement plan – short-, medium- and long-term objectives / investments
- Review all school contracts to ensure best value and 'fit for purpose' are achieved.
- Ensure technology continues to support the curriculum and parental engagement, with a focus on best value.
- Respond to Impact of Covid-19

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.



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

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The Academy aims to advance for the public benefit, education in Great Torrington and the surrounding area. In particular, but without prejudice, to the generality of the forgoing by estimating, maintaining, managing and developing schools and offering a broad ranging curriculum.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

The impact of Covid-19 continued into the Academic year 2020 / 2021. Year group and class bubbles meant that the planned change in pastoral structure could not happen and again the move to more 50-minute lesson was impeded. Covid "Catch Up" became a very unhelpful buzzword and we were once again thrown into uncertainty regarding the Summer Exam series.

The clear strategic vision which had been established the previous year was once again hampered by Covid-19. This was not only at a structural level where certain plans had to be halted altogether or modified but more significantly the amount of time that was devoted to Covid-19 at an operational level by the SLT. Time for strategic leadership was hard to find throughout the entire academic year.

Early on, it was recognised that gathering evidence of the Year 11's knowledge level would be critical. November / December mocks had been previously scheduled, but we also set up a robust series of assessment points to ensure all evidence of pupil progress could be gathered effectively. At the end of the year the data was used effectively to ensure that the Teacher Assessed Grades (TAGs) awarded were robust having been rigorously moderated internally and externally using the FFT data Lab. All moderation undertaken was completed without pupils' names to remove any form of unconscious bias. We are confident all TAGS showed professional integrity and were based solely on the evidence available.

Returning in September 2020 it was clear the school felt very different. Maintaining Year bubbles, the absence of transition for Year 7, remote assemblies, teaching inside boxes, mask wearing etc had clearly impacted behaviour and relationships in schools. As the first term progressed the impact of Covid-19 on the pupil's overall well-being, social skills and daily interactions became more evident.

In October 2020 Devon County Council (DCC) contacted all schools to see if there was any interest to set up 'Resource Bases' to improve the provision for pupils whose primary area of Special Educational Needs and Disabilities (SEND) was either Autism Spectrum Disorder (ASD) or Social, Emotional and Mental Health (SEMH). Having consulted with SLT and Governors an expression of interest to host a base for 8 pupils with SEMH was submitted as GTS had a great deal of experience and success in this area.

In February 2021 GTS were informed that the application had been successful, and a meeting was held with DCC to discuss initial plans. This was very productive and encouraging. The Department for Education's (DfE) "Making significant changes to an open academy: full business case application" was completed and submitted by GTS as required.

The timescales for roll out of the Resource Bases across Devon were moved from September 2021 to January 2022. However, we were asked to take on two Year 6 pupils at the start of the academic year to prevent the children moving schools for a second time in September 2021.

GTS were granted "pre-set up" funding and agreed to the two Year 6 pupils starting at the Resource Base as it was in the best interests of the pupils. Several meetings have since been held where GTS raised concerns about the lack of communication and clarity provided by DCC, however, it has been stated regularly that the authorisation of the Resource Base is a foregone conclusion / formality by DCC. At the time of writing the DfE / Regional Schools Commissioner (RSC) have yet to fully "sign off" on the Resource Base and GTS have made it clear to DCC and DfE that we are strongly considering pulling out as we will not have time to prepare and recruit fully to meet the children's needs and the January 2022 deadline.

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

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In addition to the Resource Base, conversations were held with DCC regarding funding for a possible new build to improve provision and to enable the relocation of the library to provide a designated dining area for pupils. Surprisingly quickly they agreed to match fund our investment to the value of £500K. This has been an ongoing project since including feasibility studies, ongoing discussions and tendering by architects / project management companies. The funding agreement is currently being ratified by the solicitors of both parties.

As the end of the Autumn Term approached it became clear case rates were on the increase and the virtual teaching plans were revised. DfE requested GTS to plan for ongoing on-site testing from January 2021. 4 members of staff were trained / recruited, and the boardroom had a new suitable flooring laid to create a testing facility. Staff returned for one day in January 2021 before the second lock down.

The online teaching model was moved to "One Note" which provided live interactive learning. It was a huge challenge for staff to switch to this delivery, but it proved to be very successful. The school remained open to key worker / vulnerable pupils which also proved to be a big challenge as numbers were ten times greater than the first lock down due to the "woolly" criteria. There was a need to have 5 – 6 classrooms staffed with teachers and Learning Support Assistants (LSAs) and this was particularly hard for teachers as they were teaching "live" on One Note whilst supervising their class. It must be noted that the GTS staff as a collective were fantastic, and a rota was formed based on volunteers.

Two outdoor covered areas were completed during this period providing much needed outdoor dry areas.

Pupils returned on 8th March 2021 to year bubbles and all previous mitigations / restrictions. On-site mass testing was also set up for the first three weeks. This required an additional 14 volunteers from outside of school to be recruited and trained. The testing facilities were relocated to the gym and upscaled. Track and trace (T&T) in school became a key focus with close contacts of positive cases having to be removed. Things settled into a steady pattern until June 2021 when local cases rose sharply. There was a significant outbreak in school and T&T became unmanageable. In consultation with Public Health England (PHE) and Governors a decision was made to have a mini "firebreak" to try and get case numbers under control. This appeared to work for all with the exception of Year 10 and they were, therefore, asked to remain at home. The disruption and pressure on all staff at this time cannot be underestimated.

Parents evenings, meetings, including Governors, were all conducted online throughout. The website was redesigned to promote Covid-19 Communication.

Covid Catch-Up funding was used to engage with the National Tutoring Program (NTP). This proved to be highly flawed due to their ability to provide the staff, and therefore, tutoring was largely provided by our own staff. Periods 7 & 8 were created for Year 11 pupils to allow them to attend standard revision sessions as well as tutoring. Attendance was supported with taxis and bus fares.

Due to Covid-19 GTS were forced to cancel Transition week and Year 5 Taster Day. Ever mindful of the impact of not having transition week the previous year (2019 / 2020) it was decided to use the DfE's 'Summer School' funding on an ambitious residential summer school during August 2021. This was held over 4 days mirroring much of what we do during Transition week. Due to the scale of the task, a Summer School Lead was appointed to co-ordinate the project. 156 of the 190-intake attended and it was an overwhelming success. A Year 5 taster day was held with 95 pupils in attendance. The feedback from all stake holders has been extremely positive.

The Summer Holiday works programme was extensive, which included converting two computer rooms to classrooms, flooring, light refurbishment of 2 x science labs, investment in and light refurbishment of the school kitchen. A majority of the work was completed by the Premises Team who worked extremely hard all summer to complete the work. The improvements to the fabric of the school as a result of the new Premises Team structure is very evident. Resurfacing of the Artificial Turf Pitch (ATP) also started during the summer which was funded and managed by Torridge District Council (TDC).

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

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This academic year has been incredibly challenging but so much has been achieved despite Covid-19. The staff at GTS have been relentless in their efforts to keep the school open and safe, and to provide the best education possible. They should all be commended.

The GCSE results achieved, again showed progress. The progress of school improvement whilst slowed by Covid-19 remained on track.

GTS is in a strong position to move forward as we come out of Covid-19

We are pleased to report that all staff and pupils have remained well during this period.

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In period under review, £696,532 was carried forward representing 18% of GAG

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers in September 2020 were 806, an increase of 63 over September 2019. It is anticipated that this number will continue to rise.

**Going Concern**

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

**FINANCIAL REVIEW**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2021, excluding fixed asset and pension reserves, total expenditure of £4,749,219 was covered by recurrent grant funding from the DfE, together with other incoming resources of £4,878,955. The excess of expenditure over income for the year (excluding fixed asset and pension reserves), after transfers to fixed asset funds of £118,973 was £10,763.

At 31 August 2021 the net book value of fixed assets was £9,457,854 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 1 August 2011 at £9,882,179. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

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

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Key financial policies adopted or reviewed during the year include the "Finance Policy" which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

**Reserves Policy**

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be a minimum of £500,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Total reserves of the academy amount to £6,785,246, although £5,616,600 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £1,168,646 (representing £472,114 unrestricted funds and £696,532 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 3 months of normal recurring expenditure.

Pupil numbers are now projected to increase and with GTS being in a strong financial position the Board of Trustees are planning to invest significantly in the school by way of additional and improved facilities, as detailed in Achievements & Performance.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Investment Policy**

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short/medium term bank investment accounts to take advantage of higher interest rates. Day to day management of the surplus funds is delegated to the CFO within strict guidelines approved by the Board of Trustees.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 94.5% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

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

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Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety, and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

COVID-19 continues to be a challenge. To date we have not had unmanageable staff absences, however, there is the risk that staff will be unable to attend work due to isolation requirements or personal circumstances.

Cyber Security - Training is being rolled out to all staff to ensure they are aware of potential Cyber Security risks.

**FUNDRAISING**

The Academy has very little capacity within its staffing to concentrate on fundraising. We do not ask pupils for money.

Any grant funding applications undertaken are directly connected with increasing opportunities to the young people, e.g., Big Bang North Devon.

**PLANS FOR FUTURE PERIODS**

GTS will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

GTS will continue to work with feeder schools within the Torrington Learning Community to improve the educational opportunities for students in the wider community. We will continue to look at opportunities to work with other schools in the area.

Over the next 12 / 24 months we are hopeful that the work will commence on the new build which will improve provision and to enable the relocation of the library to provide a designated dining area.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

**GTS ACADEMY TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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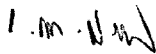
**AUDITOR**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on *9 Dec 2021* and signed on the board's behalf by:



**Ian Newberry**  
Chair of Trustees

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**SCOPE OF RESPONSIBILITY**

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

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

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
A Bloodworth	5	5
I Newberry	4	5
L Meardon	4	5
S Anstee	5	5
S Meeson	4	5
R Higgs	4	5
D Smith	5	5
P Villiers	0	0
L Wall	5	5
M Turnwell	3	4
R Hemsworth	2	5
D Major	2	5
J Stevens	3	5

During the year M Turnwell, P Villiers, L Meardon and R Higgs resigned as a Trustee.

During 2019 / 2020 the board reviewed the composition of member's and began the process of removing those who were both a member and trustee (with the exception of the Chair of Trustees). In September 2020 the remaining individual who was both a member and trustee resigned from their position of trustee.

The board continues to believe that the data it uses to assess its performance to be fit for purpose. The main source of academic data is from the DfE. For financial performance the board has used data from its external auditors which produces a set of performance data comparing similar schools.

The CFO provides monthly financial reports to the Chair of Governors and the Headteacher, and to the Resources Committee every term where the Governors are able to ask questions and challenge the reports. The reports enable the Governors to effectively review the actual / forecasted spend against the budget.

**Governance Review**

The trust did not complete a Governance Review in 2020/2021, however, in September 2021 the trust engaged with Babcock LDP LLP to provide consultancy on School Improvement (mock OFSTED) which included a review of Governance.

The trust has scheduled a full Governance Review during 2021/2022.

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Resource Committee is a sub-committee of the main Board of Trustees. Its purpose is to take responsibility for finance, audit, personnel and premises. The Resources Committee meets 6 times per year. Attendance at meetings in the year was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
A Bloodworth	6	6
Lucy Meardon	5	6
Doug Smith	6	6
Lesley Wall	6	6
Michael Turnwell	3	5
David Major	4	6

**REVIEW OF VALUE FOR MONEY**

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in GTS Academy Trust for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020 to 31 August



**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (assets purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

Griffin Chartered Accountants have continued to provide an Internal Audit function. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Purchases
- Financial Budgeting and Monitoring
- Regularity
- Governance
- Risk Management
- Payroll

On a termly basis the auditor reports to the Board of Trustees, through the Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal audit due in the Spring Term was not completed due to the effects of Covid-19.

There were no material control issues following the internal auditor's work.

**REVIEW OF EFFECTIVENESS**

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

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

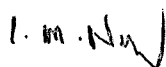
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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Approved by order of the Trustees of the Board of Trustees on 09.12.2021 and signed on its behalf by:



**Ian Newberry – Chair of Governors  
Trustee**



**Andy Bloodworth - Headteacher  
Accounting Officer**

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of GTS Academy Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 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, consisting of a stylized 'A' with a horizontal line extending to the right.

**A Bloodworth**  
Accounting Officer  
Date: 09.12.2021

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

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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:

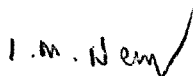
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 and signed on its behalf by:



**Ian Newberry**  
Chair of Trustees

Date: 09.12.2021

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GTS  
ACADEMY TRUST**

---

**OPINION**

We have audited the financial statements of GTS Academy Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities (incorporating income and expenditure account), 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OTHER INFORMATION**

The other information comprises the information included in the Annual report and financial statements other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report and financial statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' report 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.

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

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**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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation, charity SORP 2019, and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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.



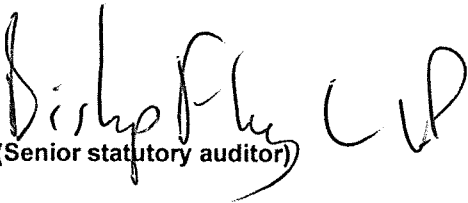
**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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.

  
**Tim Borton FCA DChA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date:

16 December 2021

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GTS  
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter 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 GTS Academy Trust 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 GTS Academy Trust and ESFA in accordance with the terms of our engagement letter dated 28th October 2021. Our work has been undertaken so that we might state to GTS Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than GTS Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF GTS ACADEMY TRUST'S ACCOUNTING OFFICER AND  
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of GTS Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2018 and the Academies Financial Handbook, extant from 1 September 2020, 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.

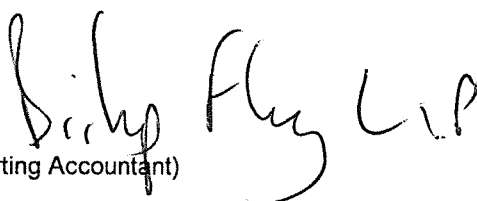
**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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.



Tim Borton FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date:

16 December 2021

**GTS ACADEMY TRUST**  
**(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 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	10	220	23,717	23,947	99,209
Other trading activities		11,604	-	-	11,604	9,299
Investments	6	819	-	-	819	8,091
Charitable activities		174,369	4,691,933	-	4,866,302	4,392,295
<b>Total income</b>		<b>186,802</b>	<b>4,692,153</b>	<b>23,717</b>	<b>4,902,672</b>	<b>4,508,894</b>
<b>Expenditure on:</b>						
Raising funds		606	1,500	-	2,106	750
Charitable activities		261,064	4,783,052	226,952	5,271,068	4,621,688
<b>Total expenditure</b>		<b>261,670</b>	<b>4,784,552</b>	<b>226,952</b>	<b>5,273,174</b>	<b>4,622,438</b>
<b>Net expenditure</b>		<b>(74,868)</b>	<b>(92,399)</b>	<b>(203,235)</b>	<b>(370,502)</b>	<b>(113,544)</b>
Transfers between funds	17	-	(117,766)	117,766	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(74,868)</b>	<b>(210,165)</b>	<b>(85,469)</b>	<b>(370,502)</b>	<b>(113,544)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(285,000)	-	(285,000)	(95,000)
<b>Net movement in funds</b>		<b>(74,868)</b>	<b>(495,165)</b>	<b>(85,469)</b>	<b>(655,502)</b>	<b>(208,544)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		557,872	(2,637,889)	9,520,765	7,440,748	7,649,292
Net movement in funds		(74,868)	(495,165)	(85,469)	(655,502)	(208,544)
<b>Total funds carried forward</b>		<b>483,004</b>	<b>(3,133,054)</b>	<b>9,435,296</b>	<b>6,785,246</b>	<b>7,440,748</b>

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

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07698197**

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

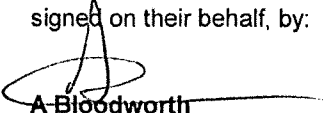
	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	9,457,854	9,346,427
		<u>9,457,854</u>	<u>9,346,427</u>
<b>Current assets</b>			
Debtors	14	227,405	159,560
Cash at bank and in hand		1,346,741	1,594,799
		<u>1,574,146</u>	<u>1,754,359</u>
Creditors: amounts falling due within one year	15	(312,645)	(323,038)
<b>Net current assets</b>		<u>1,261,501</u>	<u>1,431,321</u>
<b>Total assets less current liabilities</b>		<u>10,719,355</u>	<u>10,777,748</u>
Creditors: amounts falling due after more than one year	16	(19,109)	-
<b>Net assets excluding pension liability</b>		<u>10,700,246</u>	<u>10,777,748</u>
Defined benefit pension scheme liability	25	(3,915,000)	(3,337,000)
<b>Total net assets</b>		<u><u>6,785,246</u></u>	<u><u>7,440,748</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	9,435,296	9,520,765
Restricted income funds	17	781,946	699,111
		<u>10,217,242</u>	<u>10,219,876</u>
Restricted funds excluding pension asset	17	10,217,242	10,219,876
Pension reserve	17	(3,915,000)	(3,337,000)
<b>Total restricted funds</b>	17	<u>6,302,242</u>	<u>6,882,876</u>
<b>Unrestricted income funds</b>	17	<u>483,004</u>	<u>557,872</u>
<b>Total funds</b>		<u><u>6,785,246</u></u>	<u><u>7,440,748</u></u>

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07698197**

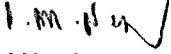
**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The financial statements on pages 26 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

  
**A Bloodworth**  
Head Teacher

Date: 09.12.2021

  
**I Newberry**  
Chair of Trustees

The notes on pages 30 to 57 form part of these financial statements.

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	<b>143,719</b>	341,159
<b>Cash flows from investing activities</b>	21	<b>(410,887)</b>	(206,513)
<b>Cash flows from financing activities</b>	20	<b>19,109</b>	-
<b>Change in cash and cash equivalents in the year</b>		<b>(248,059)</b>	134,646
Cash and cash equivalents at the beginning of the year		<b>1,594,800</b>	1,460,154
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<b><u>1,346,741</u></b>	<b><u>1,594,800</u></b>

The notes on pages 30 to 57 form part of these financial statements

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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.

**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

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1. ACCOUNTING POLICIES (continued)

1.3 INCOME

- **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.

- **Sponsorship income**

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

- **Donations**

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

- **Donated goods, facilities and services**

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

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 INTEREST RECEIVABLE**

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

**1.5 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities 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.

**1.6 TANGIBLE FIXED ASSETS**

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

Where tangible fixed assets have been acquired with the aid of specific grants, 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS (CONTINUED)**

Freehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	25% reducing balance

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

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

**1.7 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.8 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**1.9 LIABILITIES**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

**1.10 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.

**1.11 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:

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

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

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**1. ACCOUNTING POLICIES (continued)**

**1.12 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.

**1.13 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**1.14 OPERATING LEASES**

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

**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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	10	220	22,070	<b>22,300</b>	8,960
Capital Grants	-	-	1,647	<b>1,647</b>	90,250
<b>TOTAL 2021</b>	<b>10</b>	<b>220</b>	<b>23,717</b>	<b>23,947</b>	<b>99,210</b>
<b>TOTAL 2020</b>	<b>7,500</b>	<b>-</b>	<b>91,710</b>	<b>99,210</b>	

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DFE/ESFA GRANTS</b>				
General Annual Grant (GAG)	-	3,823,609	<b>3,823,609</b>	3,645,222
<b>OTHER DFE/ESFA GRANTS</b>				
Pupil Premium	-	176,718	<b>176,718</b>	158,359
Teacher's Pension and Pay Grant	-	203,682	<b>203,682</b>	196,113
Other DfE Grants	-	21,630	<b>21,630</b>	17,545
	-	4,225,639	<b>4,225,639</b>	4,017,239
<b>OTHER GOVERNMENT GRANTS</b>				
High needs	-	243,503	<b>243,503</b>	127,107
Other Government grants	-	28,027	<b>28,027</b>	24,862
	-	271,530	<b>271,530</b>	151,969
<b>OTHER INCOME FROM THE ACADEMY TRUSTS'S EDUCATIONAL OPERATIONS</b>	174,369	42,153	<b>216,522</b>	217,413
<b>COVID-19 ADDITIONAL FUNDING (DFE/ESFA)</b>				
Catch-up premium	-	64,480	<b>64,480</b>	-
Exceptional government funding	-	37,680	<b>37,680</b>	5,673
Summer school funding	-	50,451	<b>50,451</b>	-
	-	152,611	<b>152,611</b>	5,673
	174,369	4,691,933	<b>4,866,302</b>	4,392,294
<b>TOTAL 2020</b>	193,022	4,199,272	<b>4,392,294</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 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.

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'Covid 19 additional funding (DFE/ESFA)'. The funding received for coronavirus exceptional support covers £113,527 of covid related costs such as mass testing and the summer school. These costs are included in note 7 and 9 below as appropriate.

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**5. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	2,119	2,119	3,372
Fees received	-	-	1,768
Other	9,485	9,485	4,159
<b>TOTAL 2021</b>	<b>11,604</b>	<b>11,604</b>	<b>9,299</b>
<b>TOTAL 2020</b>	<b>9,299</b>	<b>9,299</b>	

**6. INVESTMENT INCOME**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	819	819	8,091
<b>TOTAL 2020</b>	<b>8,091</b>	<b>8,091</b>	

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**7. EXPENDITURE**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Expenditure on raising funds:					
Direct costs	2,106	-	-	<b>2,106</b>	750
Academies educational operations:					
Direct costs	3,451,114	193,130	259,460	<b>3,903,704</b>	3,399,259
Support costs	668,904	280,027	418,433	<b>1,367,364</b>	1,222,429
	<u>4,122,124</u>	<u>473,157</u>	<u>677,893</u>	<u><b>5,273,174</b></u>	<u>4,622,438</u>
<b>TOTAL 2020</b>	<u><u>3,622,644</u></u>	<u><u>455,681</u></u>	<u><u>544,113</u></u>	<u><u>4,622,438</u></u>	

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Academy Trust's Educational operations	<u>3,903,704</u>	<u>1,367,364</u>	<u><b>5,271,068</b></u>	<u>4,621,687</u>
<b>TOTAL 2020</b>	<u><u>3,399,259</u></u>	<u><u>1,222,428</u></u>	<u><u>4,621,687</u></u>	



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

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**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	<b>54,000</b>	57,000
Staff costs	<b>3,405,843</b>	3,002,789
Depreciation	<b>193,130</b>	175,530
Educational supplies	<b>73,420</b>	57,970
Examination fees	<b>54,697</b>	36,506
Staff development	<b>8,759</b>	9,449
Other costs	<b>55,829</b>	25,380
Supply teachers	<b>47,377</b>	24,065
Recruitment and support	<b>10,649</b>	10,570
<b>TOTAL 2021</b>	<b><u>3,903,704</u></b>	<b><u>3,399,259</u></b>

**GTS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	668,904	595,789
Depreciation	37,825	30,184
Other costs	32,889	30,803
Maintenance of premises and equipment	33,847	45,401
Cleaning	108,629	103,790
Rent and rates	22,710	21,055
Energy costs	66,583	63,548
Insurance	15,417	19,755
Security and transport	10,742	19,606
Catering	159,233	118,624
Technology costs	72,189	68,372
Office overheads	9,703	8,368
Legal and professional	111,235	76,536
Bank charges	3,051	6,558
Governance costs	14,407	14,039
<b>TOTAL 2021</b>	<b>1,367,364</b>	<b>1,222,428</b>

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

**9. NET EXPENDITURE**

Net expenditure for the year includes:

	2021 £	2020 £
Operating lease rentals	12,037	18,444
Depreciation of tangible fixed assets	230,955	199,215
Fees paid to auditors for:		
- audit	8,755	7,250
- other services	800	2,475
	<u>8,755</u>	<u>7,250</u>

**10. STAFF**

**a. STAFF**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,905,968	2,607,618
Social security costs	291,602	253,883
Pension costs	877,177	737,078
	<u>4,074,747</u>	<u>3,598,579</u>
Agency staff costs	47,377	24,065
	<u>4,122,124</u>	<u>3,622,644</u>

**b. STAFF NUMBERS**

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

	2021 No.	2020 No.
Teachers	43	37
Administration & support	44	42
Management	11	10
	<u>98</u>	<u>89</u>

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

**10. STAFF (CONTINUED)**

**b. STAFF NUMBERS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	39	35
Administration & Support	37	32
Management	11	10
	<u>87</u>	<u>77</u>

**c. HIGHER PAID STAFF**

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees), members of the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £307,411 (2020: £274,225).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of key management personnel other than in their role as trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

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

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**11. TRUSTEES' REMUNERATION AND EXPENSES**

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to Trustee (2020 - £450 to 4 Trustees).

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: A Bloodworth, Remuneration £80,000 - £90,000 (2020: £70,000 - £80,000), Employer's pension contributions £20,000 - £25,000 (2020: £15,000 - £200,000). R Higgs, Remuneration £50,000 - £55,000 (2020: £50,000 - £55,000), Employer's pension contributions £10,000 to £15,000 (2020: £10,000 - £15,000). S Anstee, Remuneration £40,000 - £45,000 (2020: £40,000 - £45,000), Employer's pension contributions £10,000 - £15,000 (2020: £10,000 - £15,000).

**12. TRUSTEES' AND OFFICERS' INSURANCE**

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

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**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>					
At 1 September 2020	10,873,774	156,278	366,542	15,558	11,412,152
Additions	256,542	15,441	70,399	-	342,382
Disposals	-	-	(24,495)	-	(24,495)
At 31 August 2021	11,130,316	171,719	412,446	15,558	11,730,039
<b>DEPRECIATION</b>					
At 1 September 2020	1,569,650	135,992	344,525	15,558	2,065,725
Charge for the year	188,757	6,366	35,832	-	230,955
On disposals	-	-	(24,495)	-	(24,495)
At 31 August 2021	1,758,407	142,358	355,862	15,558	2,272,185
<b>NET BOOK VALUE</b>					
At 31 August 2021	9,371,909	29,361	56,584	-	9,457,854
At 31 August 2020	9,304,124	20,286	22,017	-	9,346,427

The Academy Trust's transactions relating to land and buildings included a boiler project, outdoor canopy's, firedoor updates, and the renovation of the kitchen.

**14. DEBTORS**

	2021 £	2020 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	1,115	1,558
Prepayments and accrued income	190,849	141,174
VAT recoverable	35,441	16,828
	227,405	159,560

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**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	66,521	33,010
Other taxation and social security	66,222	62,633
Other creditors	70,882	70,015
Accruals and deferred income	109,020	157,380
	<u>312,645</u>	<u>323,038</u>
	2021 £	2020 £
Deferred income at 1 September 2020	26,214	50,482
Resources deferred during the year	60,284	26,214
Amounts released from previous periods	(26,214)	(50,482)
	<u>60,284</u>	<u>26,214</u>

Deferred income includes income received in advance for school trips.

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Other loans	<u>19,109</u>	<u>-</u>

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**17. STATEMENT OF FUNDS**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Funds	544,186	186,802	(257,667)	(1,207)	-	472,114
Unrestricted fixed asset	13,686	-	(4,003)	1,207	-	10,890
	<u>557,872</u>	<u>186,802</u>	<u>(261,670)</u>	<u>-</u>	<u>-</u>	<u>483,004</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	635,104	3,823,609	(3,644,415)	(117,766)	-	696,532
Higher Needs	-	243,503	(243,503)	-	-	-
Pupil Premium	-	176,718	(143,497)	-	-	33,221
Other	64,007	92,030	(142,928)	-	-	13,109
Covid Grants	-	152,611	(113,527)	-	-	39,084
Teacher pension and pay grant	-	203,682	(203,682)	-	-	-
Pension reserve	(3,337,000)	-	(293,000)	-	(285,000)	(3,915,000)
	<u>(2,637,889)</u>	<u>4,692,153</u>	<u>(4,784,552)</u>	<u>(117,766)</u>	<u>(285,000)</u>	<u>(3,133,054)</u>
<b>Restricted fixed asset funds</b>						
Fixed assets transferred on conversion	8,398,676	-	(163,501)	-	-	8,235,175
Fixed assets purchases from GAG and other restricted	302,194	-	(42,502)	117,766	-	377,458
Devolved Formula Capital transferred in on conversion	289,732	-	(1,621)	-	-	288,111
Devolved Formula Capital	127,601	16,412	(4,780)	-	-	139,233



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**17. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Academy Maintenance Fund	44,341	-	(1,121)	-	-	43,220
ELBS Capital Fund	21,943	-	(201)	-	-	21,742
Condition Improvement Funding	332,714	(14,765)	(5,781)	19,109	-	331,277
Tesco Bags of Help grant	3,564	-	(161)	-	-	3,403
Other Donations	-	22,070	(7,284)	-	-	14,786
Salix Loan	-	-	-	(19,109)	-	(19,109)
	<u>9,520,765</u>	<u>23,717</u>	<u>(226,952)</u>	<u>117,766</u>	<u>-</u>	<u>9,435,296</u>
<b>Total Restricted funds</b>	<u>6,882,876</u>	<u>4,715,870</u>	<u>(5,011,504)</u>	<u>-</u>	<u>(285,000)</u>	<u>6,302,242</u>
<b>Total funds</b>	<u>7,440,748</u>	<u>4,902,672</u>	<u>(5,273,174)</u>	<u>-</u>	<u>(285,000)</u>	<u>6,785,246</u>

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

**Restricted Funds**

General Annual Grant and Other DfE grants - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Higher Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other restricted income - This represents other restricted income for specific educational purposes.

Pension reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Covid grants - This represents funding received by the Academy for the exceptional circumstances they faced due to the Covid-19 pandemic.

Teacher's pensions and pay grant - This represents restricted income from the government, to cover

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**17. STATEMENT OF FUNDS (CONTINUED)**

costs incurred from teacher's salary and pension contributions.

**Fixed Asset Funds**

Fixed Assets transferred on conversion – This represent the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Fixed Assets purchased from GAG and other restricted funds - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

Devolved Formula Capital transferred in on Conversion - This represents the income due from the Local Authority on conversion to an Academy to fund capital projects.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Academy Capital Maintenance Grant - Income received for specific projects tendered for and completed during the year.

ELBS Capital Fund - Income received from an agreement pre conversion to an Academy.

Condition Improvement Funding - Income received from the ESFA for specific capital projects.

Other donations - Donated assets received from the Government for laptops.

Transfers in/out of funds - This represents the purchase of fixed assets out of restricted general funds, and the transfer of this value into fixed asset additions.

**OTHER INFORMATION**

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.

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**17. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	492,015	219,371	(160,465)	(6,735)	-	544,186
Unrestricted fixed asset	10,477	-	(3,526)	6,735	-	13,686
	<u>502,492</u>	<u>219,371</u>	<u>(163,991)</u>	<u>-</u>	<u>-</u>	<u>557,872</u>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	481,052	3,645,221	(3,468,209)	(22,960)	-	635,104
Other DfE Grants	-	17,545	(17,545)	-	-	-
Higher Needs	-	127,107	(127,107)	-	-	-
Pupil Premium	-	158,359	(158,359)	-	-	-
Other	64,007	49,254	(49,254)	-	-	64,007
Covid Grants	-	5,673	(5,673)	-	-	-
Teacher pension and pay grant	-	196,113	(196,113)	-	-	-
Pension reserve	(3,008,000)	-	(234,000)	-	(95,000)	(3,337,000)
	<u>(2,462,941)</u>	<u>4,199,272</u>	<u>(4,256,260)</u>	<u>(22,960)</u>	<u>(95,000)</u>	<u>(2,637,889)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	8,562,176	-	(163,500)	-	-	8,398,676
Fixed assets purchases from GAG and other restricted	304,205	-	(24,971)	22,960	-	302,194
Devolved Formula Capital transferred in on conversion	291,353	-	(1,621)	-	-	289,732

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**17. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Devolved Formula Capital	115,977	16,454	(4,830)	-	-	127,601
Academy Maintenance Fund	45,462	-	(1,121)	-	-	44,341
ELBS Capital Fund	22,144	-	(201)	-	-	21,943
Condition Improvement Funding	264,699	73,796	(5,781)	-	-	332,714
Tesco Bags of Help grant	3,726	-	(162)	-	-	3,564
	<u>9,609,742</u>	<u>90,250</u>	<u>(202,187)</u>	<u>22,960</u>	<u>-</u>	<u>9,520,765</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>7,146,801</u>	<u>4,289,522</u>	<u>(4,458,447)</u>	<u>-</u>	<u>(95,000)</u>	<u>6,882,876</u>
<b>TOTAL FUNDS</b>	<u><u>7,649,293</u></u>	<u><u>4,508,893</u></u>	<u><u>(4,622,438)</u></u>	<u><u>-</u></u>	<u><u>(95,000)</u></u>	<u><u>7,440,748</u></u>

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	10,888	-	9,446,966	<b>9,457,854</b>
Current assets	472,116	1,094,591	7,439	<b>1,574,146</b>
Creditors due within one year	-	(312,645)	-	<b>(312,645)</b>
Creditors due in more than one year	-	-	(19,109)	<b>(19,109)</b>
Defined benefit pension scheme liability	-	(3,915,000)	-	<b>(3,915,000)</b>
<b>TOTAL</b>	<u><u>483,004</u></u>	<u><u>(3,133,054)</u></u>	<u><u>9,435,296</u></u>	<u><u>6,785,246</u></u>

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**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	13,684	-	9,332,743	9,346,427
Current assets	544,188	1,022,149	188,022	1,754,359
Creditors due within one year	-	(323,038)	-	(323,038)
Defined benefit pension scheme liability	-	(3,337,000)	-	(3,337,000)
<b>TOTAL</b>	<b>557,872</b>	<b>(2,637,889)</b>	<b>9,520,765</b>	<b>7,440,748</b>

**19. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	<b>(370,502)</b>	(113,544)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>230,955</b>	199,215
Capital grants from DfE and other capital income	<b>(1,647)</b>	(99,210)
Interest receivable	<b>(819)</b>	(8,091)
Defined benefit pension scheme cost less contributions payable	<b>241,000</b>	177,000
Defined benefit pension scheme finance cost	<b>52,000</b>	57,000
(Increase)/decrease in debtors	<b>(25,615)</b>	125,833
Increase/(decrease) in creditors	<b>18,347</b>	2,956
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>143,719</b>	341,159

**20. CASH FLOWS FROM FINANCING ACTIVITIES**

	2021 £	2020 £
Cash inflows from new borrowing	<b>19,109</b>	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>19,109</b>	-

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**21. CASH FLOWS FROM INVESTING ACTIVITIES**

	2021 £	2020 £
Dividends, interest and rents from investments	819	8,091
Purchase of tangible fixed assets	(413,353)	(313,814)
Capital grants from DfE and other capital income	1,647	99,210
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(410,887)</b>	<b>(206,513)</b>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash in hand and at bank	1,346,741	1,594,800
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,346,741</b>	<b>1,594,800</b>

**23. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,594,799	(248,058)	1,346,741
Debt due after 1 year	-	(19,109)	(19,109)
	<b>1,594,799</b>	<b>(267,167)</b>	<b>1,327,632</b>

**24. CAPITAL COMMITMENTS**

	2021 £	2020 £
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	-	51,279

**25. 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 Devon County Council. Both are multi-employer defined benefit schemes.

**NOTES TO THE FINANCIAL STATEMENTS  
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**25. PENSION COMMITMENTS (CONTINUED)**

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 £70,882 were payable to the schemes at 31 August 2021 (2020 - £62,250) and are included within creditors.

**TEACHERS' PENSION SCHEME**

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

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

**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 £464,294 (2020 - £414,329).

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.

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**25. 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 £220,000 (2020 - £189,000), of which employer's contributions totalled £169,000 (2020 - £145,000) and employees' contributions totalled £ 51,000 (2020 - £44,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5 to 12.5% per cent for employees.

As described in note 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>3.90</b>	3.25
Rate of increase for pensions in payment/inflation	<b>2.90</b>	2.25
Discount rate for scheme liabilities	<b>1.65</b>	1.60
Inflation assumption (CPI)	<b>2.90</b>	2.25

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>
Retiring today		
Males	<b>22.7</b>	22.9
Females	<b>24.0</b>	24.1
Retiring in 20 years		
Males	<b>24.0</b>	24.3
Females	<b>25.4</b>	25.5



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**25. PENSION COMMITMENTS (CONTINUED)**

**SENSITIVITY ANALYSIS**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>(172)</b>	<b>(141)</b>
Discount rate -0.1%	<b>176</b>	<b>145</b>
Mortality assumption - 1 year increase	<b>287</b>	<b>217</b>
Mortality assumption - 1 year decrease	<b>(275)</b>	<b>209</b>
CPI rate +0.1%	<b>152</b>	<b>125</b>
CPI rate -0.1%	<b>(148)</b>	<b>(121)</b>

**SHARE OF SCHEME ASSETS**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equities	<b>2,030,000</b>	<b>1,511,000</b>
Gilts	<b>415,000</b>	<b>91,000</b>
Corporate bonds	<b>61,000</b>	<b>119,000</b>
Property	<b>259,000</b>	<b>201,000</b>
Cash	<b>20,000</b>	<b>29,000</b>
Target return portfolio	<b>301,000</b>	<b>319,000</b>
Infrastructure and alternative asset	<b>157,000</b>	<b>263,000</b>
<b>Total market value of assets</b>	<b>3,243,000</b>	<b>2,533,000</b>

The actual return on scheme assets was £528,000 (2020 - £9,000).

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>(408,000)</b>	<b>(322,000)</b>
Interest income	<b>42,000</b>	<b>41,000</b>
Interest cost	<b>(94,000)</b>	<b>(98,000)</b>
<b>Total amount recognised in the statement of financial activities</b>	<b>(460,000)</b>	<b>(379,000)</b>

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**25. PENSION COMMITMENTS (CONTINUED)**

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>5,870,000</b>	<b>5,272,000</b>
Current service cost	408,000	322,000
Interest cost	94,000	98,000
Employee contributions	51,000	44,000
Actuarial losses/(gains)	771,000	175,000
Benefits paid net of transfers in	(36,000)	(41,000)
<b>AT 31 AUGUST</b>	<b>7,158,000</b>	<b>5,870,000</b>

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>2,533,000</b>	<b>2,264,000</b>
Interest income	42,000	43,000
Actuarial gains	486,000	80,000
Employer contributions	169,000	145,000
Employee contributions	51,000	44,000
Benefits paid net of transfers in	(36,000)	(41,000)
Administration expenses	(2,000)	(2,000)
<b>AT 31 AUGUST</b>	<b>3,243,000</b>	<b>2,533,000</b>

**26. 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 £	2020 £
Within 1 year	12,037	19,131
Between 1 and 5 years	25,145	39,114
	<b>37,182</b>	<b>58,245</b>

**GTS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**27. 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.

**28. GENERAL INFORMATION**

GTS Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Calvesford Road, Great Torrington, Devon, EX38 7DJ.

**29. RELATED PARTY TRANSACTIONS**

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.

In addition, no related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 11.