

Registration number: 08913502

Education and Leadership Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021



Education and Leadership Trust

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Education and Leadership Trust

Reference and Administrative Details

Members	Mr Richard Paver Mr Stephen Griffiths (appointed 05.10.2020) Ms Julie Marie Price (appointed 05.10.2020) Ms Colette Burgess Macklin (appointed 23.01.2021) & (left 29.10.21) Ms Lucy Anne Wood (appointed 23.01.2021) Mr Andrew Sean Mullen (left 05.10.2020) Mr Ronan Brindley (left 05.10.2020)
Trustees (Directors)	Ms Emma Jane Antrobus Mr Dale Edward Bassett Mr Ronan Brindley (appointed 05.10.2020) Prof. Elaine Ferneley Ms Emma-Jane McLaren Mrs Sandra Milne Mr Andrew Sean Mullen Mr Richard Paver (appointed 05.10.2020) Mr Allan John Torr (left 26.10.2020) Mr Peter Mulholland (appointed 01.09.21) Ms Janet Doherty (appointed 01.09.21)
Senior Leadership Team	Mr Damian Owen, Interim Executive Headteacher and Accounting Officer (appointed 01.09.21) Dr Johan MacKinnon, Executive Headteacher and Accounting Officer (left 01.09.2021); Ms Jaqueline Fahey, Academy Headteacher (appointed 1.09.2020) Mr Khalil Mohammed, Trust Finance Director (appointed 01.08.21) Ms Deborah Collier, Trust Finance Officer (to 01.08.21) Mrs Jenny Kennedy, Trust HR Director Mr Neil Johnson, Joint Academy Headteacher (from 24.02.2020) Ms Donna Johnson, Joint Academy-Headteacher (from 24.02.2020) Miss Jacqueline Bowen, Academy Headteacher
Principal and Registered Office	Whalley Range 11-18 High School Wilbraham Road Manchester M16 8GW
Company Registration	08913502

Education and Leadership Trust

Reference and Administrative Details (continued)

Number

Independent Auditor

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Bankers

Lloyds Bank
42-46 Market Street
Deansgate
Manchester
M1 1PW

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

Education and Leadership Trust

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2020 to 31st August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The academy trust operates three secondary academies in Manchester. Its academies have a combined capacity of 3,652 and had a roll of 3,652 in the school census on 7th October 2021

	Secondary	Number on roll
Whalley Range 11-18 High School	11-18	1,661
Levenshulme High School	11-16	1,003
The East Manchester Academy	11-16	988

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Education and Leadership Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Education and Leadership Trust.

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

Members' Liability

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

Trustees' Indemnities

The Academy Trust is a member of the Department for Education risk protection arrangement (RPA) which includes risk protection for Governors Liability with a liability limit of £10m.

Method of Recruitment and Appointment or Election of Trustees

Trustees and Governors are recruited by invitation, dependent on their expertise, experience and skills. They can be identified for invitation in a range of ways, including via organisations such as Academy Ambassadors or from personal recommendation by colleagues. Trustees may be appointed as specified in the articles of association (50 to 63), and are appointed for a term of 4 years. The Executive Headteacher is the Accounting Officer, with no term end date. Although the ESFA/DfE guidance is that members of staff can be Trustees, the strong recommendation of the Office of the Regional Schools Commissioner and thus, via them, the DfE is that best practice now is that members of staff are not Trustees to give greater separation between the Trust Board and staff and making lines of accountability clearer. This was discussed and agreed with the colleagues affected and with Trustees and there are no longer any staff Trustees.

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Trustees' Report (continued)

The current Trust Board has a strong skill-base, from a wide range of industries and organisations, with Trustees holding, or having held, senior management roles in: Public Sector Finance; Human Resource Management; Educational Standards, Higher Education; Improvement and Governance; Arts and Culture; Law; and Governance.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are interviewed and selected to ensure that a robust overview of governance is maintained throughout the trust. New Trustees are provided with an induction which includes access to documentation in respect of all trust policies and procedures. In addition, appropriate training opportunities may be offered, depending on their current level of experience and expertise. The trust has membership of the National Governors' Association (NGA), which is also a source of training and support for trustees, and the Confederation of School Trusts (CST).

Trustees and governors attend development sessions to inform and review strategic planning; and also to ensure high and consistent standards of governance and challenge across all schools in the trust. All Trustees and governors have access to the suite of online training provided by the NGA.

Organisational Structure

The trust continue with a separation of Members and Trustees as much as possible, with only one of our five members also acting as a Trustee. Having one person in this dual role is accepted as effective practice in the sector. During the financial year under review, the Trust had 5 members, which is the number recommended by the Department for Education. Post year end, this reduced to 4 members. The role of Members is described in the DfE Governance Handbook, and Members are undertaking some consultancy work with a National Leader of governance, through CST, to develop their understanding and operation of the role.

The Trustees are responsible for authorising a core set of policies and procedures, the determination of the annual funding allocations to each academy, compliance with DfE/ESFA requirements in relation to financial management, accounting and reporting, oversight of the educational vision and strategic planning and development of the trust and its academies, including the approval of the academy development plans, and the appointment of the Executive Headteacher. The Trustees also approve the Annual Report and Financial Statements.

The Trustees delegate responsibility for oversight of a range of defined aspects of school operation, compliance and impact to the Academy Committees. These responsibilities are detailed in the Trust Scheme of Delegation and the Terms of Reference for the committees. Each Academy Committee has a designated governor for safeguarding and for students with special educational needs and/or disabilities (SEND) and there is a role descriptor for this governor and for the nominated safeguarding Trustee. There is a nominated Trustee for safeguarding who has established working practices with the link Safeguarding governors and academies' Designated Safeguarding Leads to secure oversight across the Trust. The Chair of the Trust Board meets periodically with Academy Committee Chairs to co-ordinate governance across the committees and ensure clear and consistent communication flow between the tiers of governance. The Local Governing body (as they were then known) for TEMA was replaced by an Interim Management Board (IMB) following the section 5 inspection in December 2019. This put in place a group of education, safeguarding and social care professionals who provide the expertise and capacity to drive and evaluate improvements at the school at the rate needed. To this end, it was agreed that two of the IMB members would be paid at consultancy rates for this governance activity (as is increasingly common in the Academies sector) – the Chair and the Vice Chair – one of whom is an ex-Headteacher with significant school improvement experience and impact and the other was a Director of Education at a Greater Manchester local authority.

Education and Leadership Trust

Trustees' Report (continued)

The IMB meets much more frequently than Academy Committees, meeting every 3 weeks, and has a regular presence in school to carry out evaluative activity as well as providing support and guidance to school leaders.

The (Interim) Executive Headteacher is the accounting officer. The day-to-day management of the trust academies is delegated to the (Interim) Executive Headteacher and the Academy Headteachers and Senior Leadership Teams (SLT) of each academy. The SLT, as appropriate to each academy, consists of the Academy Headteacher, Deputy Headteachers, Assistant Headteachers and School Business Manager. In addition, there is a Trust HR Director and Trust Finance Director who report to the Executive Headteacher and operationally to the Headteacher in each academy.

The SLT in each academy is responsible for implementing the agreed policies and procedures set down by the trust, including the implementation of all statutory regulations. The Academy Headteachers are responsible for appointing all staff, managing the delegated budgets and resources, ensuring the delivery of an appropriate curriculum, together with the development and implementation of measures to secure the highest possible standards of teaching and learning and student progress and achievement. The Academy Headteachers are also responsible for ensuring the development and implementation of measures to secure effective support for students together with the delivery of high standards of student behaviour, safety and well-being.

The Trustees met, from September 2020, seven times during the year, with one meeting being the annual general meeting. Academy Committees meet 5 times per year. Minutes from the Academy Committees are received and scrutinised by trustees.

Roles and responsibilities of trustees, governors, the Executive Headteacher, Academy Headteachers and senior leaders are defined in the trust's Scheme of Delegation and the Financial Scheme of Delegation. Each committee has Terms of Reference.

Arrangements for setting pay and remuneration of key management personnel

The salaries of the Senior Leadership Teams in each academy are set in line with the ISR (Individual School Range) set out in the Blue Book. Assistant Headteachers and Deputy Headteachers are on 5-point ranges, and the Academy Headteachers are on 7-point ranges.

The performance of all members of the Senior Leadership Teams is appraised on an annual basis, and recommendations for pay progression are reviewed by the Executive Headteacher.

The remuneration of the Executive Headteacher is set by the board of trustees/directors, and is benchmarked against Executive Headteachers in other multi-academy trusts. The remuneration and performance of the Executive Headteacher is appraised on an annual basis by the board of trustees/directors. An external School Improvement Partner is employed to lead this process for the Executive Headteacher in order to provide objective, professional advice to the trustees. The Executive Headteacher carries out the appraisal of Headteachers with the Chair of the Academy Committee for the school.

The current Executive Headteacher has been taken on an interim basis and is employed under an SLA with Greater Manchester Learning Trust (GMLT). Fees under this SLA are paid at the "at-cost" rate. This arrangement is in place till 31st December 2021 with provision to extend the arrangement by mutual agreement.

The remuneration arrangements for GMLT are available on their website.

Education and Leadership Trust

Trustees' Report (continued)

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
6	6.87

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	6
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£7,073
Provide the total pay bill	£20,565,575
Provide the percentage of the total pay bill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total pay bill}) \times 100$	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: $(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$	22%
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Education and Leadership Trust

Trustees' Report (continued)

Related Parties and other Connected Charities and Organisations

The trust is part of a network, the Manchester Schools Alliance, which includes a number of other schools and academies in the Manchester area. This involves collaborative working across a range of disciplines to help to improve the educational outcomes for children in the Manchester area. The trust is also a strategic partner of 'Teach Manchester', one of the teaching school alliances in the city.

The trust is working with the Alliance Manchester Business School (AMBS - University of Manchester). AMBS provides mentors, speakers for certificate evenings, enterprise links, competitions for students, English as an additional language (EAL) support for parents, and aspiration-raising visits and events.

The trust is part of the Cooperative Schools Society, which operates across the UK, sharing good practice and accountability, together with promoting cooperative values and ethical working practices.

The trust is working with the Manchester United Foundation and the link was established due to shared values of: inspiring leadership in young people; promoting sport and healthy lifestyles; and, inspiring raised aspirations via a range of activities linked to a top global brand for sport. The civic pride it promotes means a number of the trust's key values are promoted. Manchester United Foundation employees work in the three schools to: mentor some vulnerable students; engage others in sports leadership; provide expert coaching in football; and promote a wide range of careers. It also works with City in the Community and an increasing range of partners in the voluntary and community sector.

Whalley Range 11-18 High School shares its site with Range Stadium, a sports facility owned by Manchester City Council. There is a lease agreement and a management agreement in place in respect of the use of Range Stadium, which is currently shared between the school, Greater Manchester Basketball Club and GLL. GLL are a charitable social enterprise who are the appointed facility managing agent for Manchester City Council (MCC) charged with ensuring the provision of sport and leisure services for MCC.

Levenshulme High School shares one of its buildings with Acacias Community Primary School, a community school owned by Manchester City Council. There is a shared use agreement between Levenshulme High School, Acacias Community Primary School and Manchester City Council.

The East Manchester Academy shares its building with Beswick Library which is owned and operated by Manchester City Council. There is a shared use agreement in place between The East Manchester Academy and Manchester City Council's Library Service. These arrangements are currently under review.

The East Manchester Academy shares its site with a rugby pitch, a sports facility owned by Manchester City Council. There is a lease agreement and a management agreement in place in respect of the use of the rugby pitch, however this is under review. The lettings company which ran the facilities hire at The East Manchester Academy went out of business due to the impact of the COVID-19 pandemic.

The trust commissions the following services from the Local Authority (or LA-related organisations): Attendance Support (pupils), Disclosure and Barring Service (DBS) checking, Educational Psychologist, Legal Services, Staff Insurances, Internal Audit, Peripatetic Music Service, Payroll and Personnel, Recruitment Advertising, Pupil Admission and Appeals, Pupil Referral Unit, Risk Management, Trade Union Facilities Management, Support for pupils with Specific Learning Difficulties (SpLD).

The interim Executive Headteacher taken on at ELT is a permanent employee of Greater Manchester Learning Trust. The fees associated with this interim arrangement are paid at the "at-cost" rate. No other financial activity has taken place between the two trusts.

Education and Leadership Trust

Trustees' Report (continued)

Engagement with employees (including disabled persons)

Education and Leadership Trust communicates regularly with all employees through staff briefing sessions (email, face to face and virtual) to ensure they are kept up to date on matters concerning them.

We welcome the views of our employees on a variety of different subject areas. We regularly meet employee representatives to ensure employees' views and feedback on local issues are considered when making decisions which impact our employees.

We use staff surveys at both school and trust level to understand how valued and involved our employees feel in their everyday work, and to identify any areas in which we can better support them in their roles.

We have a robust recruitment and selection process which is fully compliant with the Equality Act 2010. Career development and training is a key priority. We provide a personalised induction programme along with high quality training and opportunities for professional development.

We are a flexible employer and the health and well-being of our employees is important. We provide ongoing support to all staff through our Employee Assistance Programme and Occupational Health provider to ensure we can support our employees.

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

Education and Leadership Trust aims to deal fairly and consistently with all those in a business relationship with the trust.

Whilst we have established good relationships with key suppliers, we welcome approaches from all suppliers to our sector; but particularly from UK-based organisations in general, and local businesses in particular.

We recognise the importance of cashflow for many of our suppliers and aim to pay all invoices within a maximum period of 30 days; although in practice, many debts are settled with 14 days.

The trust has a Best Value approach to larger purchases, with the selection of goods and services based on a combination of competitive pricing and also good quality.

We continue to maintain business relationships with Manchester Local Authority, in part due to the quality of their offer in specialised sectors; but also, to ensure our schools continue to be part of a team effort to improve educational outcomes for students in our city.

Procurement Policy Notes 01/20 and 02/20

In line with these directives, payments were made in order to secure continuity of supply of critical services. In the year under review, this was limited to agency staff.

Education and Leadership Trust

Trustees' Report (continued)

Objectives and Activities

Objects and Aims

The trust's object is specifically restricted to the following:

to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools (the Academies) offering a broad and balanced curriculum.

Objectives, Strategies and Activities

The Trust's main aim is to inspire and nurture young people who:

- learn throughout their lives
- play a full part in life and work - guided by Co-operative values
- are active citizens of Greater Manchester, the UK and the world
- achieve to their potential and
- lead fulfilling lives as valued members of society.

The work of the Trust is built on the principles of Excellence, Leadership and Teamwork including:

- high expectations for all
- an inspiring and challenging curriculum through which students will develop broad knowledge and personal leadership qualities
- staff and students collaborating to attain high outcomes and make accelerated progress, working collaboratively as a community

The main objectives of the trust during the year ended 31 August 2021 are summarised below:

- To raise the standard of educational achievements of all pupils in the trust's academies
- To ensure that every pupil enjoys the same high quality education in terms of resourcing, teaching and learning
- To ensure that pupil behaviour is excellent; and to ensure exemplary standards of safeguarding
- To improve the effectiveness of the academies by keeping the curriculum and organisational structures under continual review
- To comply with all statutory and curriculum requirements
- To maintain close links with industry and commerce and to utilise those links for the benefit of the trust and pupils
- To provide value for money for the funds expended
- To conduct the trust and academy business in accordance with the highest standards of integrity, probity and openness.
- To ensure every pupil has the opportunity to take part in leadership opportunities in order to help prepare them for a positive future beyond school.

The details of the activities in place to deliver these aims and objectives, and the success criteria for them, are captured in the Trust Strategic Plan, the individual academy development plans and the Executive Team's operational plan.

Due to COVID-19, a significant amount of planned activity around these priorities was not able to take place. However, there were also activities that took place virtually to ensure the Trust continued to evolve and develop and add value to the pupils

Education and Leadership Trust

Trustees' Report (continued)

Public Benefit

Throughout the 2020-21 academic year, the Trust has provided education for over 3,600 young people in the city of Manchester aged 11-18. The Trust uses the Manchester City Council admissions service to administer applications and place management for 11-16 students. Places are allocated on a proximity basis and there is no academic or other selection – other than that both Levenshulme and Whalley Range are single sex schools. Whalley Range 11-18 High School manages its own admissions for places in the Sixth Form, for which there are minimum standards of achievement in Key Stage 4 qualifications required to access the courses. Achievement at Levenshulme and Whalley Range continues to be excellent and that at the East Manchester Academy is improving.

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

Strategic Report

Achievements and Performance

The COVID-19 pandemic and associated lockdown led to the cancellation of GCSE, A' level and vocational qualification exams in the 2021 summer exam series. The outcomes achieved by young people in summer 2021 were generated by a rigorous process of internal assessment and student performance evaluation which generated Teacher Assessed Grades (TAGs) for each student. These grades were externally moderated by examination boards and found to be robust. There are no formal accountability tables/measures for either performance or attendance for the 2020-21 academic year.

As a Trust, ELT followed agreed protocols for generating TAGs, which were evidence-based and worked through with integrity and challenge in each school. Nationally, for a range of reasons, there was an increase in the rate of achievement of grades 4 and above across subjects. The schools worked closely with the post-16 providers that our Year 11 students had applied to so that we could be as confident as possible that students were able to move on to appropriate courses in September, despite the disruption to the exams and shifts in national outcomes. Sixth Form staff at Whalley Range also worked closely with the universities to ensure that all Year 13 students could progress to one of their top choices of course and university.

During the period of full national lockdown, all three schools offered provision for the children of key workers and children with SEND or other significant vulnerabilities. During these periods and those periods of partial opening necessitated by the impact of the pandemic, all those students not attending in person had access to remote learning provision. ELT's schools further provided equipment to those students without the technology to access this provision. ELT staff combined their work on site with arrangements to deliver education remotely alongside flexible working arrangements.

All three schools reopened fully to students in March 2021, following significant work to produce plans and risk assessments which met the expectations of the DfE, the HSE and Public Health England hierarchy of control. Trustees were fully involved in review and approval of these risk assessments, and consultation was carried out with staff and the professional associations at both school and Trust level. Staff in all three schools have reported that they feel that they have been listened to, communicated with and supported well throughout this process. Manchester City Council's Health & Safety team also reviewed all schools' risk assessments and reported back that these were fully compliant.

Education and Leadership Trust

Trustees' Report (continued)

The continuing COVID-19 situation means that, whilst we return to a more usual school day and associated routines, aspects of our practice continue to be adaptable in line with the best arrangements for the safest educational arrangements for our cohorts and our learning from aspects of provision which differed from usual practice during periods of restricted opening. The return to school since September has seen levels of attendance which exceed national averages in all our schools, alongside rising levels of infection, again in line with national trends. Such cases are managed in line with updated national guidance. There continues to be some, although reduced, disruption to staffing capacity due to the impact of Corona virus.

All academies received an allocation of funding for the Covid-19 Catch Up Premium as below:

- Whalley Range High School £107,440
- Levenshulme High School £80,320
- The East Manchester Academy £79,520

This funding has been directed towards activities to support pupils to catch up for lost teaching over previous months and to address the related impact on emotional wellbeing. The Education Endowment Foundation (EEF) has published evidence-based approaches to the use of the funding for all students and our academies have used this document to direct their additional funding in the most effective way focusing on teaching and whole school strategies such as:

- assessment to inform gaps and related curriculum modifications
- targeted approaches such as small group and 1:1 tuition
- wider strategies such as enabling access to technology for all and supporting parents in home learning

Each academy has a detailed catch-up spending plan and a recovery strategy to reflect these elements. These recovery plans, based on the same 3 core strands of delivery, have been shared with the ELT Standards Committee and full detail of the impact of the use of the funding is to be shared for the end of this term. Impact reports related to the additional funding strategies will be published on our websites as they are completed this term.

To support access to technology 1,224 devices were provided to our academies through the DfE programme of distribution to schools. 100 devices were donated by Deloitte LLP alongside further allocations through this fund the Trust is assessing longer-term provision of devices for all students and the associated cost.

Key Performance Indicators

Results based on teacher assessed grades and internal performance tables. National results from the SISRA Data Collaboration project involving 198,805 students from 1092 opted-in schools.

Key Stage 4 results (2021/22)	WRHS	LHS	TEMA	National
Basics (Students achieving a grade 5 or better in English and maths GCSEs)	48.9%	49.0%	33.5%	51.7%
Basics (Students achieving a grade 4 or better in English and maths GCSEs)	66.0%	68.3%	55.2%	72.7%
Attainment 8 score	51.98	53.31	44.55	51.11
Progress 8 score	0.50	0.78	-0.42	0.00
English Baccalaureate average point score per slot	4.91	5.13	3.79	4.43

Education and Leadership Trust

Trustees' Report (continued)

Whalley Range 11-18 High School: Key Stage 5 (2021/22)

Performance measure	WRHS Sixth Form	Local Authority	National
Key Stage 5 - A Level cohort			
Number of students at the end of 16-18 study with an A level exam entry	39	-	-
Average point score per A level entry expressed as a grade	C+	-	-
Average point score per A level entry	33.94	-	-
A-level Value-added score	0.37		
Key Stage 5 – Vocational (Applied General) qualifications			
Number of students at the end of 16-18 study with an applied general exam entry	57		-
Average point score per applied general entry expressed as a grade	Merit+	-	-
Average point score per applied general entry	27.52	-	-
Key Stage 5 – English and maths (GCSE resits) progress measure			
Number of students at the end of 16-18 study in scope for English progress measure	26		-
Average progress made in English	0.23	-	-
Number of students at the end of 16-18 study in scope for maths progress measure	42	-	-
Average progress made in maths	0.50	-	-

The outcomes above reflect teacher assessments, which will not be externally published in used as an accountability measure (as per 2020) In the last year where national accountability data was published (2019) the Progress 8 scores (DfE) at Levenshulme and Whalley Range put them, respectively, in the top 0.5% and 5% of schools nationally, which is a fantastic achievement for the Trust. The overall progress 8 score of +0.59 for the Trust (DfE compare schools and multi-academy trusts website publication) for schools which have been in the organisation for 3 or more years (which includes TEMA) puts us at 5th position nationally – again, a significant achievement.

Levenshulme High School was inspected by Ofsted in October 2016 and judged to be Outstanding in all areas. Whalley Range 11-18 High School received a short inspection in April 2017 and continues to be judged to be Good. The East Manchester Academy was inspected by Ofsted in December 2019 and judged to require Special Measures. The inspectors recognised the high quality and strengths of the current senior leadership team at the school; however, the quality, capacity and impact of governance at all levels was severely criticised in the inspection and its report. Since that time the academy has received two favourable monitoring inspection reports and is judged to be making suitable progress towards the removal of its category within a 30 month window.

In the time since the inspection the school has made significant progress across all of the areas for improvement – including immediately addressing the safeguarding concerns raised in its original section 5 inspection report. Improvements in safeguarding practice and impact and the personal development curriculum have been validated by external review (including by ex-HMI who was national lead on PSHRE and Citizenship) and the use of external review is continuing in these areas. There has also been external review of SEND systems and training which has found significant improvement such that the needs of children with specific or additional needs are increasingly being well met.

Education and Leadership Trust

Trustees' Report (continued)

The period of COVID-19 lockdown equally enabled an opportunity for the academy to develop strong relationships with the families in its community. This had led to greater parental engagement and higher attendance levels since September than previously; a significant achievement.

Attendance monitoring disrupted by the pandemic has meant that direct comparison with data either locally or nationally with previous years is unhelpful. Attendance had begun to decline in many schools since September 2021 as levels of infection amongst the 11-18 age group rise following the return to school. These have been exacerbated by restrictions on travel from other countries and the financial penalties levied by quarantine regulations, both of which have meant that a small number of students have yet to return to ELT schools. Recent attendance data is shown in the table below, alongside the 2018/19 full year data. The data for national attendance is always a year behind, and the national figures in the table are for the full year 2018/19.

<i>Pupil attendance</i>	WRHS		LHS		TEMA		<i>National</i>
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2018/19
Overall	90.2%	95.6%	92.4%	95.8%	90.3%	92.4%	94.5%
Pupil Premium	88.7%	94.8%	91.0%	94.8%	88.6%	91.1%	91.8%
Non Pupil Premium	91.2%	96.2%	93.5%	96.4%	93.6%	94.9%	95.5%

Other notable achievements across the Trust's academies during the year include:

- Sixth Form student numbers at Whalley Range have risen significantly.
- All schools have achieved excellent results in external competitions for: STEM (science, technology engineering and maths) work; debating; creative writing; and enterprise skills. Employers are impressed by their confidence, communication and teamwork skills.
- Whalley Range achieved the SSAT's Excellence in Education Award and the East Manchester Academy achieved a Quality Mark for Outstanding PE provision. Levenshulme is a lead school in Greater Manchester Combined Authority (GMCA) Careers Hub and has achieved the Leading Parent Partnership Award. All three schools hold awards for their LGBTQ+ work.
- Websites in all schools reflect a wide range of educational activities, extra-curricular activities and achievements. We have hosted: authors; speakers who are from a wide range of career backgrounds with very different personal stories; visitors from overseas Embassies; MPs and business people who have all given up their time to talk to our students. The link with The Alliance Manchester Business School has enhanced these opportunities.
- The City of Manchester aspires to be one of the world's top ten digital cities and there are extensive visits, experiences and visits by speakers to promote careers in STEM and the digital sector to our students. We have strong links with partners in the City who are supporting the development of our digital curriculum, and one of our Deputy Headteachers is part of the working group.
- Despite the challenges of operating under COVID-19 restrictions, a number of refurbishment projects have been undertaken at all three schools to continue to provide excellent teaching, learning and intervention classrooms and improved facilities for staff.

Education and Leadership Trust

Trustees' Report (continued)

Going Concern

The Trustees have performed a robust analysis of forecast future cashflows taking into account the potential impact of COVID-19 on the Trust. This analysis also considers the effectiveness of available measures to assist in mitigating the impact of COVID-19.

The COVID-19 virus control measures have resulted in a number of additional expenses, both one-off and ongoing, including:

- Additional resources to enable the students to access the curriculum from home, when the schools were shut, and also since September 2020 due to periods of self-isolation
- Additional resources to enable the staff to teach live lessons from home, and also to create additional teaching materials (including videos), when the schools were shut, and also since September 2020 due to periods of self-isolation
- Significant increase in the amount of supply teacher cover required due to number of staff self-isolating
- Additional resources such as text books, revision guides and pencil cases in order that students do not have to share materials
- Increased cleaning regime, including additional day cleaners and specialist equipment
- Equipment, signage and other materials required to create Year Group 'zones', including the creation of additional dining and social spaces, external seating, physical barriers to keep colleagues safely distanced from each other, from students and from the public.
- Supplies of personal protective equipment (PPE) for all staff; supply of masks for students; additional PPE for unavoidable close contact e.g. for first aiders
- Temporary employment of additional catering staff due to changes to the school day resulting in four distinct break/lunch periods in four separate settings
- Increased energy costs due to significantly increased ventilation in classrooms and social spaces

We also plan to create more covered outdoor spaces through the addition of canopies.

Despite all these and numerous other measures, through careful management of ongoing budgets and its reserves, the trust is sustainable financially for the foreseeable future.

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

Promoting the success of the company

In 2020-21, the trust has acted in a way most likely to promote the success of the organisation, and in doing so the trustees have had due regard to:

- **the likely consequences of any decision in the long term:** by ensuring that outcomes for pupils continue to be good (or improving), which sustains pupil rolls and therefore ongoing funding. Also, continued investment in the land and buildings via a programme of capital improvements, refurbishments, re-developments and ongoing maintenance and repairs.
- **the interests of the trust employees:** continual focus on staff well-being via staff surveys; consultation with trade unions, investment and opportunities for training and development; access to apprenticeships at all levels; policy of paying Manchester Minimum Wage as a minimum.

Education and Leadership Trust

Trustees' Report (continued)

- **the need to foster the trust's business relationships with suppliers, customers and others:** all three schools strive to communicate effectively with students and their families, as part of the trust's commitment to provide all-round support, with the education and well-being of students at the heart of all that we do. In the case of suppliers, we endeavour to support them within the parameters of financial propriety of public funds, by ensuring that they are paid promptly.
- **the impact of the trust's operations on the community and the environment:** the wider community access the sports and leisure facilities at Levenshulme High School and The East Manchester Academy. In addition, the trust has established good relationships with other organisations sharing the schools' sites: Acacias Community Primary School at Levenshulme High School, Beswick Library at The East Manchester Academy, and GLL and Greater Manchester Basketball Club at Range Stadium at Whalley Range 11-18 High School.
- **the desirability of the trust maintaining a reputation for high standards of business conduct:** via following co-operative values, and also via applying high standards to all financial matters, recognising the importance of sustaining good relationships with the Education & Skills Funding Agency, the Regional Schools Commissioner and the Greater Manchester Local Authority.
- **the need to act fairly as between members of the company:** via following co-operative values, maintaining a register of pecuniary interests for staff, governors, trustees, members, renewed annually

Financial Review

The majority of the trust and academy income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the year ended 31st August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The trust also received grants from the ESFA and other organisations. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2021, total expenditure of £29.3 million was incurred, which was covered by the recurrent grant income from the ESFA, together with other incoming resources which totalled £28.3 million. Total funds carried forward amount to £7.2 million. This is in line with the trust's strategy to build and maintain adequate reserves to fund an ambitious plan of future improvements and development of the organisation and its infrastructure.

Unrestricted income and expenditure in the year ended 31st August 2021 amounted to £547,119 and £644,223 in the prior year.

At 31st August 2021 the net book value of fixed assets amounted to £66.8 million and movements in fixed assets are shown in note 12 of the financial statements. The cost of fixed asset additions in the year ended 31st August 2021 amounted to £1.9m.

The Trust developed robust plans to mitigate the financial and operational effects of the pandemic. Key government grants continued and were paid on time. The Trust applied for additional grants and funding that were made available during the year and these helped underwrite the additional costs incurred in response to the pandemic. The Trust actively updates all relevant risk registers and the response process and procedures were informed by the knowledge and experiences gained from the year before.

Education and Leadership Trust

Trustees' Report (continued)

The Trust continues to effectively respond to on-going changes in guidance and our academies have worked well by sharing best practices across all areas of operations and adapting quickly. The Trust invested heavily during the year in the IT infrastructure and services, allowing the Trust to handle any changes to the delivery of education.

In order to aid decision making, the Trust continued to produce robust management accounts, budget and forecasts to ultimately ensure the delivery of our educational objectives in the most cost-efficient way.

The change in Executive Headteacher has been smooth and handled effectively. The search for a permanent appointment for this post continues. Interim arrangements have been secured and will remain in place till at least 31st August 2022.

Recent processes for the recruitment of a substantive Executive Headteacher were not successful, however an extended interim arrangement, approved by the ESFA and the DfE, will enable the Trust to retain its strength of organisational leadership and develop its strategy towards realising its vision and values moving forward.

The Trust is likely to face the same issues and uncertainties being experienced on a national scale and supply chain issues may be the next emerging risk. In response to this, our academies are working closely with suppliers in order to manage any issues as effectively as possible. The Trust do have healthy financial reserves which can be used in order to respond to unexpected financial challenges in the short term.

The Trust continues to effectively operate virtual governance and inclusion and attendance at meetings remained high during the year. ELT have strengthened the governance at the Trust and introduced two new members post year end, taking the total number of members up from three to five.

Reserves Policy

The trust has a Reserves Policy, and the trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The trust's total funds held at 31.08.21 were £59.2m. The trust's current level of free reserves (total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve) is £7.1 million. The amount is kept secure for a time when it is needed to: self-finance short term deficits in annual budgets; restructuring of operations; or funding capital projects, either by way of local contributions to grant aided schemes or fully funding IT and other capital investment, for which no grants are available.

The trustees have decided to adopt a prudent approach to reserves and aim to maintain a group reserve of designated funds of at least 5% of annual income to safeguard against: unforeseen circumstances, capital improvements or developments, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the trust's business activities and quality of education at all the academies in the trust.

Annual budgets are not usually subject to large in-year variances as most income is generated via pupil numbers, measured in the proceeding financial year. As a significant proportion of spend is staffing, budgets can be planned with a reasonable degree of accuracy, subject to fluctuations in in-year agency supply costs. External alternative provision placements for students remain a more volatile/less predictable area of spend but are relatively small when looked at Trust level.

In addition, the net liability due to the trust's participation in the Local Government Pension scheme (Greater Manchester Pension Fund – GMPF) amounts to £15.2million as measured in line with the Accounting Standard. In practical terms the trust is part of a pooled arrangement with Manchester City Council and at the last triennial valuation the pool was in surplus which has delivered a small reduction in the primary contribution rate for the next three years. It should be noted, however, that an immediate liability for deficit as measured under accounting standards is not crystallised at the financial year end.

Education and Leadership Trust

Trustees' Report (continued)

Parliament has agreed, at the request of the Secretary of State for Education, to 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 18th July 2013. This guarantee provides comfort for the trustees in the unlikely event of an academy closure.

Any surplus or deficit position of the LGPS pension scheme as measured at the triennial valuation would generally result in a cash flow effect for the trust in the form of an increase or decrease in employers' pensions contributions over a period of years.

The GMPF (LGPS) 2020-21 charge to Profit & Loss (P&L) is based on financial conditions at the start of the year (i.e. assumptions as at 31st August 2019). The service cost and net interest cost for 2020-21 should be broadly in line with the projections made, as payroll has not changed materially. However, due to the lower net discount rate at 31st August 2021, the projected 2020-21 charge to P&L is likely to increase compared to 2019-20.

Disclosure of the LGPS funds in deficit is also included in Funds Note in financial statements (note 15).

Investment Policy

Cash balances are safeguarded by investing them in UK-based interest-bearing current and deposit accounts with sound commercial banks (currently: Barclays Bank plc, Lloyds Bank PLC, Nationwide Building Society.).

Where cashflow identifies a base level of cash funds that will be surplus to requirements, this surplus may be invested only in the following:

- Transfer to Instant Access Deposit or High Interest Deposit with current bankers or other UK banking institutions regulated by the Financial Conduct Authority.
- Interest bearing deposit accounts (including fixed term bonds with a term not exceeding six months)
- Treasury deposits, or other secure UK Government investment instruments

The day-to-day balances for the three schools and the trust are held at Lloyds Bank PLC. Cash balances are currently spread across four institutions to reduce the impact of one or more of them failing (on a short or long-term basis). In addition, the possible impact of the ongoing Brexit negotiations is being kept under review.

The trust has significant sums on deposit with UK-based interest bearing accounts. Given the current poor returns available, the insecurity of the UK economy, the uncertainty around Brexit and the FSCS limits of £85,000 per account, the trust will look to revisit plans to place some funds on deposit with the Local Authority (Manchester City Council) in the months ahead.

The primary objectives of its Investment Management Policy will be the protection and maximisation of the financial resources available to it to be used to achieve its primary objectives and the management of the associated risks, organisational and financial, which might threaten its ability to do so. The next update of the investment policy will also look to give considerations to social, environmental or ethical considerations, to the extent that they do not hinder the primary aim of our investment policy

Other than a fall in the level of interest returns, Covid-19 has had no significant impact on the trust's investments.

Education and Leadership Trust

Trustees' Report (continued)

Principal Risks and Uncertainties

The Trust strives to continuously develop and improve its systems and processes for internal controls, particularly risk management.

The principal risks to the Trust are documented and managed using a risk management register which is reviewed at every Board meeting. In addition, individual risk registers are maintained and reviewed by the Local Governing Body of each school, and are then reviewed in turn by the main Trust Board. The main risks currently are:

- Loss of reputation due to: a significant safeguarding or other incident affecting students and/or staff, or; a drop in standards and academic performance
- Unexpected loss of key personnel; or failure to recruit sufficient subject specialist teachers
- Falling student numbers (e.g. due to changing local educational landscape) and the impact of overstretched budgets and rising employee costs.
- Failure of IT systems/cyberattack; or failure to adequately protect data; or lack of accurate reliable management information
- Significant deficit to a defined benefit pension scheme, leading to increased employer contributions

Key controls in place to mitigate these risks are:

- Robust safeguarding policies, procedures and training, including safer recruitment and regular DBS checks (which exceed the statutory minimum requirements)
- Employee policies which are readily accessible to all staff, and regularly reviewed
- Ongoing Continuing Professional Development (CPD) and succession planning
- Detailed annual school development plans, including curriculum offer review
- Robust self-evaluation and student progress assessment procedures
- Good governance with documented terms of reference for all Trust Committees and sub-committees, and each Governing Body
- Organisation structures with clearly defined roles, responsibilities and authority levels
- Financial planning including budgeting and regular management reporting, highlighting any areas of financial risk
- Business continuity plans and procedures which are reviewed and updated regularly

The process of risk management within the trust continues to evolve and our focus remains on strengthening the established risk control system that links the identified high risks to the Trust's strategic aims and objectives, with progress being linked to and monitored by the key performance indicators. This direct linkage brings a sharp focus to key risks and has ensured that all actions are mitigating these

Education and Leadership Trust

Trustees' Report (continued)

Fundraising

There is a Trust Policy and Procedure for Charitable Collections. All schools in the trust undertake a number of fundraising activities for local and national charities, and the framework for these is set at the beginning of the academic/financial year.

There is a pre-approved list of charities for which staff and students may raise funds, which is reviewed regularly. This includes fundraising for global emergencies, which must be for organisations which are faith-neutral and support humanitarian aid.

All fundraising activities by staff and students must be for the benefit of a recognised charity or to benefit the school community, for example in supporting a food bank.

Each school has a Charity Lead who is responsible for ensuring that all processes and procedures are followed accurately, and that security of charitable funds raised is maintained at all times.

Funds raised for charities are separately identified, and monies paid directly to the verified bank accounts of the charity.

The COVID-19 closure and subsequent virus control measures has resulted in much reduced fundraising activities in all three schools in 2020-21.

The Trust does not use any external fundraisers and all internal fundraising undertaken during the year was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	6,331,965	5,762,553
Energy consumption break down (kWh) (optional):		
• gas	Levenshulme High School 1,226,520 The East Manchester Academy 1,151,541	Levenshulme High School 1,136,750 The East Manchester Academy 1,221,614
• electricity	Whalley Range High School 1,381,399	Whalley Range High School 1,259,561
• transport fuel	Levenshulme High School 615,492 The East Manchester Academy 871,125 Whalley Range High School 1,085,888	Levenshulme High School 475,955 The East Manchester Academy 755,626 Whalley Range High School 913,047
	<i>Not available</i>	<i>Not available</i>

Education and Leadership Trust

Trustees' Report (continued)

Scope 1 emissions in metric tonnes CO2e		
Gas consumption	688.58	665.23
Owned transport – mini-buses	-	-
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	546.22	499.99
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	-	-
Total gross emissions in metric tonnes CO2e	1234.80	1,165.22
Intensity ratio Tonnes CO2e per pupil	0.35	0.33

The year on year increase in energy consumption reflects the impact of COVID-19 and the associated lockdowns which affected both financial years but to varying degrees. 2020-21 experienced fewer instances of school closures as the trust transitioned towards greater presence on site and face to face learning, in turn, increasing the energy consumption levels.

Quantification and reporting methodology

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

It hasn't been possible to produce transport data for the 2020-2021 return.

Systems are currently in place to collate this information for future year returns. This will involve collating minibus usage and monitoring fuel expenditure.

Intensity measurement

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

Measures taken to improve energy efficiency

The steps taken to improve energy efficient during the period include:

- The appointment of local authority energy team
- The continued practice of upgrading lighting to LED
- Condition Improvement Funding used to replace the original windows at Levenshulme High School and Whalley Range 11-18 High School in 2020-21
- Condition Improvement Funding bids in the 2021-22 round to replace the original heating systems and end-of-life boilers at Levenshulme High School and Whalley Range 11-18 High School

Education and Leadership Trust

Trustees' Report (continued)

Plans for Future Periods

The Trust aims to achieve the highest educational outcomes for all its students as well as providing professional development opportunities for its staff so that all academies can continue to grow and become mutually supportive.

The Trust's vision is to inspire and nurture young people who:

- learn throughout their lives
- play a full part in life and work - guided by Co-operative values
- are active citizens of Greater Manchester, the UK and the world
- achieve to their potential and
- lead fulfilling lives as valued members of society.

The Trust will continue to focus on providing a strategic approach to strengthening curriculum and educational opportunities within our academies as well as enhancing our provision. The main objectives for the year are focused around continual improvement of the Trust to support the core purpose of the academies in providing the best education for all pupils.

To achieve this, ELT has developed a trust-wide strategic plan, focused across five key themes which will help the Trust to support the educational success and financial stability of our academies.

This strategic plan is built around priorities which are closely linked to the values of the Trust and its' vision for the future, as well as Trustees' knowledge of the challenges and opportunities for our academies and their communities at this time.

Trustees' intention for the immediate development of the Trust is to focus on creating a strong family of schools, providing Trust-wide frameworks for excellence, high-quality education and staff development to benefit students in our existing schools. This will be reviewed annually as our organisation and the sector landscape evolve. These strategic aims will inform school development plans.

The main objectives for the year fall into 5 key priority headings:

1. COVID-19 Recovery
2. Trust development – leadership, governance and capacity
3. Trust development – great teachers: great teaching: great outcomes
4. TEMA improvement
5. Key school improvement themes, foci for the Standards Committee

COVID 19

ELT remain vigilant of the impact of COVID-19 and its focus remains to mitigate or limit the future impact of the pandemic. The Trust will ensure that the gaps caused by the COVID-19 pandemic are identified and addressed astutely – recognising that this is part of a longer-term strategy.

Should face-to-face learning be impacted then the Trust is well-placed to navigate this through remote learning, supporting families with limited IT facilities and socio-economic difficulties.

The Trust has a fluid COVID-19 risk register which identifies the principal risks and mitigation. In addition to the COVID-19 risk register, a risk assessment was established for all schools. The creation of the site risk assessment involved Trust Executive leaders along with consultation with staff. Trustees reviewed and approved these risk registers. The registers continue to be maintained and are updated on a regular basis.

Education and Leadership Trust

Trustees' Report (continued)

Trust Development

Approach

The Trust's success is very much dependent on recruiting, developing and retaining the very best people in every position in its academies and in the delivery of central services.

Recognising the importance and breadth and depth of this area, the Trust have developed objectives around this theme and are looking to develop both our leaders and teachers.

The crux of this work will be to support career development pathways for all staff and to deliver effective succession planning and talent management mapping to support delivery of our objectives.

Work in this area has already begun, in particular the development and clarification of key, evidence-based frameworks for the core elements of effective teaching and leadership practice such as research and practitioner proficiency, reading, coaching, curriculum design and safeguarding practice.

The East Manchester Academy

Improving the outcomes at TEMA remains a key priority for the Trust. Working alongside leaders at the academy and the IMB, ELT will support rapid and sustained improvement at TEMA towards removal from Special Measures and creating a 'Good' school for the community it serves.

The area of focus at TEMA will continue to be to address the Ofsted AFIs effectively supported by the activity of the Trust and implementation of consistent Trust-wide frameworks.

The work and transition of the IMB to local arrangements is central to developments at the academy this year.

Personal Development

We want our students to be confident and emotionally resilient young people who will be able to face up to life's challenges when they happen, as well as living lives in which they empathise with, and value, others with lives and beliefs different from their own. Our personal development curriculum is values-driven and places high expectations on students to be the best that they can be. Each school has a well-planned and integrated personal development curriculum in place for 2021-22, which includes the elements of Relationship and Sex Education (RSE) -updated to meet the new statutory requirements for 2021- personal Health and Social Education (PSHE), citizenship and careers education and guidance. The curriculum has been further refined in light of the impact of the pandemic on key areas such as emotional health, relationships and safety. Throughout 2020-21, academies managed a virtual programme of activity around personal development and will be in a strong position to enable a more customary offer to emerge over the course of the coming year.

Education and Leadership Trust

Trustees' Report (continued)

Key School Improvement Themes

A key priority under this theme is to ensure all trust schools are prepared for inspection under the new framework. To support this development comprehensive training will be delivered to all key stakeholders across the trust. This will include Leaders, teaching and support colleagues, as well as our Trustees and Governors.

Introducing consistency across our trust has also been identified as a central success factor. Led by the Interim Executive Headteacher, the areas targeted for harmonisation across the trust will include:-

1. Curriculum design process and implementation, including Covid-19 recovery
2. The use of research in all areas of pedagogy and practice
3. Pupil Premium – tracking achievement and measuring impact
4. Progress of key vulnerable cohorts within each academy
5. Targeting for improvement underperforming subject areas

Funds Held as Custodian Trustee on Behalf of Others

The Trust does not hold any funds as a custodian trustee on behalf of others.

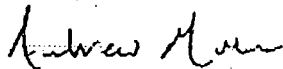
Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 audit services will go out for tender for financial year 2021-22. The audit report in these financial statements has been issued by Hallidays.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 December 2021 and signed on the board's behalf by:



Andrew S Mullen
Chair of Board

Date: 13 December 2021

Education and Leadership Trust

Governance Statement

Scope of Responsibility

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

As trustees we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance, as well as the ESFA academies financial handbook. We have also sought and acted on review and consultancy from National Leaders of Governance via the NGA and CST.

The board of trustees has delegated the day-to-day responsibility to the Executive 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 Education and Leadership 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 had planned to formally meet seven times during the year, this included the Annual General Meeting. In 2021-22 there are six full Board meetings scheduled, plus the Annual General Meeting. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ms E J Antrobus	6	7
Mr D Bassett	6	7
Ms E McLaren	6	7
Mrs S Milne	6	7
Mr A S Mullen (Chair)	6	7
Mr A Torr (resigned 26.10.2020)	1	1
Mr R Brindley	7	7
Mr R Paver (Member)	7	7
Prof. E Ferneley	7	7

In addition to the Trust Board, there is a Trust Finance, Audit & Risk (FAR) sub-committee, which reviews all aspects of financial planning and monitoring, premises, Health & Safety and Human Resources. In 2020-21 the FAR Committee met six times and reviewed both the Trust and individual schools' risk registers. The other purpose of the Trust Finance, Audit & Risk sub-committee is to assist the Trust Board in fulfilling its responsibilities with regard to the financial and risk management of the trust and maintenance of effective oversight of funds (as per Academies Financial Handbook section 2.3).

Education and Leadership Trust

Governance Statement (continued)

The business conducted by these committees is reported into the Trust Board. Key content from the Finance, Audit & Risk sub-committee are presented by the Chair of that sub-committee and is supported by the executive finance representatives at key points of the year. The Finance, Audit & Risk sub-committees have a different chairperson from the main Board.

Trustee	Finance Committee	
	Meetings attended	Out of a possible
Ms E Antrobus	6	6
Dr J MacKinnon (accounting officer)	6	6
Mr A S Mullen	6	6
Mr R Paver (Member & Chair)	6	6
Mrs S Milne	6	6

Whalley Range 11-18 High School and Levenshulme High School each have an Academy Committee, which meets separately from the Trust Board five times per year and has a Trustee on the committee. The East Manchester Academy currently has an Interim Management Board (IMB) in place, following being placed into Special Measures by Ofsted. Academy Committees and the IMB each have Terms of Reference approved by the Board. The Policy Committee has been reconstituted (which met three times in 2020-21) and a Standards Committee set up (which met six times in 2020-21), each comprising a minimum of three Trustees and with agreed Terms of Reference. The Policy Committee held its first meeting in November 2020 and the Standards Committee in October. The skills base of the Trust Board has been augmented to increase the level of knowledge of 11-18 education and school improvement, through the appointment of new Trustees.

The Academy Committees all have a mix of types of governor, including parents and staff. The skill set of Academy Committees and the Trust Board/members is strong. During the financial year, the IMB was made up of four individuals with this now increasing to six with two new appointments post year end. Two of the members are paid at consultancy rates for this work, with the specific expertise and capacity to support TEMA in improving rapidly. All Academy Committees and the IMB as well as Trust Board and its committees, are professionally clerked via a contract with One-Education.

The outcome of the Ofsted inspection of The East Manchester Academy led to significant activity to improve and secure consistent high-quality governance, particularly at Trust Board level, throughout the remainder of the year. It also led to significant challenge by the office of the Regional Schools Commissioner (RSC) about the Trust's capacity to support and improve the school at the rate and depth needed, including the publication of a termination warning notice for The East Manchester Academy's membership of ELT. The RSC has yet to make her final decision about the future of the school as the timeline has been affected by the COVID-19 pandemic and its impact. The Trust is providing evidence of its support and impact on the academy as requested.

Education and Leadership Trust

Governance Statement (continued)

A full review of governance was carried out by a National Leader of Governance, commissioned through the NGA, and a report published from this review containing a range of recommendations. The Board then commissioned further review from the Confederation of School Trusts (CST), again by a National Leader of Governance, who also provided advice and support and facilitated the Trustee and Member workshop in September. The key, immediate priorities from these reviews were identified as:

- Develop a strategic plan 1 year to 3 year
- Create a Curriculum/Standards committee
- Decide on metrics, KPIs and data the Board wants presented by Executive and how presented/monitored
- Provide clarity on the role of the Academy Committees
- Provide independent/peer school assessment reports that come to Board/committee
- Chair to have his key contacts between meetings and let Trustees develop their voices

Based on these reviews, a Governance Development Plan was produced and used to direct the immediate improvements needed – these actions have been fulfilled and the medium to longer term actions and impact are being monitored throughout 2021-22. The relationship with CST, and associated support, training and review work, will continue throughout 2021-22 and will include review of the impact of changes made.

There is an annual trust Saturday seminar, usually held in June, which focuses on self-review and development of governance as well as an opportunity to look at the development plans of all three schools for the coming year. This was rendered impossible this year by the COVID-19 pandemic. The Trustees' and Members' virtual workshop in September 2020, mentioned above, reviewed and recrafted the Trusts' values and vision statements and identified the strategic priorities for 2020-21 and 2020-23. Priorities from the Strategic plan align with priorities in each school's own development plan and with Headteachers' appraisal objectives. The original ELT Articles of Association have been replaced by the DfE model articles, and this change was approved by the DfE in September 2020. The Scheme of Delegation has been substantially updated and changed to meet expectations and will be reviewed annually. All committees now have agreed Terms of Reference which detail their role and remit and which are subject to annual review. These have been used with Academy Committees to develop their understanding and enhance their ability to fulfil their role, and will be complemented by other training such as NGA online modules and cross trust development activity.

The Board has also reviewed the structure and content of the data received about its schools, increasing its scope to ensure that all elements that could inform Trustees about safeguarding and statutory issues, as well as achievement, are included, clear and comparative (between schools and with national data, where available). The establishment of the Standards Committee also provides the opportunity for greater scrutiny of both academic and behaviour data and safeguarding by Trustees. Report structures used by the Executive Headteacher and Headteachers have also been reviewed, to ensure focus is on key indicators and actions being taken to address emerging gaps or concerns. Comparison of these structures and the data contained therein with those used by other academies has reassured executive leaders and Trustees about the appropriateness and utility of the data. A full workplan/schedule of activity for the year is in place for the Board and its committees including Academy Committees and the IMB. It supports coherent and comprehensive management and fulfilment of the responsibilities of each group of Trustees/governors and enables the Executive and senior school leaders to manage their responsibilities around tiers of governance.

There has also been a planned increase in co-ordination of the work of the named safeguarding Trustee and governors, through a member of the Executive leadership team and the Designated Safeguarding Leads from each school. This allows greater assurance of the quality of safeguarding as well as confidence in the data and other information used. Chairs of Board and school-level committees also now meet to co-ordinate the work of each group through the year and assure consistency and sharing of good practice.

Education and Leadership Trust

Governance Statement (continued)

Review of Value for Money

As accounting officer, the Executive 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:

- Detailed review of teacher staffing requirements in the context of changing national curriculum and examination requirements
- Review of support roles to evaluate potential for economies of scale/shared staffing as opportunities arise
- Compliance with a comprehensive Competitive Tendering Policy
- Cross-trust supplier contracts to achieve economies of scale and cost reductions
- Use of highly-skilled staff in all three schools

The focus on cross-trust tendering will continue in 2021-22 and beyond to ensure that the efficient use of resources is maximised through Trust working and greater use of national frameworks and purchasing consortiums will be applied.

Impact of COVID-19

As a publicly funded institution, the Government was clear that, as the trust continued to receive full funding, despite school closures, we should ensure that we continued to pay our staff and, where appropriate, our suppliers (including non-employed staff).

In practice, for Education and Leadership Trust, the outcome was, in terms of staffing:

- almost all employed staff were paid in full
- the exception to this were the staff employed solely to operate the Energy Box at Levenshulme High School. Other than the periods which the Energy Box was closed, these staff were furloughed with effect from 5th November 2020 to 11th April 2021.

Procurement Policy Notes 01/20 and 02/20

This year we continued to operate to the guidance as per these Procurement Policy Notes, where applicable.

Education and Leadership Trust

Governance Statement (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Education and Leadership Trust for the period 1st September 2020 to 31st 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 trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the trust's significant risks that has been in place for the period 1st September 2020 to 31st August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance, audit and risk committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed Manchester City Council's Internal Audit and Risk Management team as internal auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. This year, the scope was to provide assurance over the adequacy, application and effectiveness of the whole financial control systems operating at the Trust. In particular the checks carried out in the current period included:

- Allocation of financial roles and responsibilities.
- Long term financial planning, budget setting, budget approval and monitoring.
- Key financial reconciliations.
- Expenditure, specifically purchasing.
- Testing of payroll systems.
- Testing of purchase systems.
- Testing of control account/bank reconciliations.

Education and Leadership Trust

Governance Statement (continued)

In order to steer internal audit activity going forward, Trustees have commissioned an Assurance Mapping exercise. Key recommendations from this activity will be used to develop the scope of future internal audits.

On a regular basis, the Internal Auditor reports to the board of trustees, through the Finance, Audit & Risk Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work, and found some control issues which are being addressed by strengthened controls. None of the issues identified present a significant risk to the trust's operations and financial management procedures.

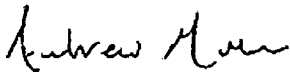
Review of Effectiveness

As accounting officer the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

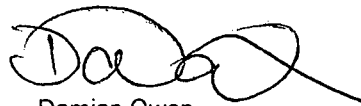
- the work of the internal auditor
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 13 December 2021 and signed on its behalf by:



Andrew S Mullen
Chair of Board



Damian Owen
Accounting Officer

Education and Leadership Trust


Statement on Regularity, Propriety and Compliance

As accounting officer of Education and Leadership Trust I have considered my responsibility to notify the trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the 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 trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

- During the year the academy Trust has not shared monthly management accounts in accordance with section 2.18, 2.19 and 2.21 of the Academies Financial Handbook. We have reviewed management information in respect of September and October 2021 and can confirm that this includes the assets and liabilities of the Trust.



Damian Owen
Accounting Officer

13th December 2021

Education and Leadership Trust

Statement of Trustees' Responsibilities

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

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

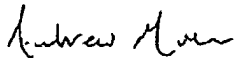
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the board of trustees on 13 December 2021 and signed on its behalf by:



Andrew S Mullen
Chair of Board

Education and Leadership Trust

Independent Auditor's Report on the Financial Statements to the Members of Education and Leadership Trust

Opinion

We have audited the financial statements of Education and Leadership Trust (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

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

Conclusions relating to going concern

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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Other information (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)

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

Education and Leadership Trust

Independent Auditor's Report on the Financial Statements to the Members of Education and Leadership Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report 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 company 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 where 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 Statement of Trustees' Responsibilities [set out on page 31], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Education and Leadership Trust

Independent Auditor's Report on the Financial Statements to the Members of Education and Leadership Trust (continued)

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the trust through discussions with directors and other management, and from our commercial knowledge and experience of the academies sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the trust, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charges with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, and the trust's legal advisors

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Education and Leadership Trust

Independent Auditor's Report on the Financial Statements to the Members of Education and Leadership Trust (continued)

Use of our report

This report is made solely to the Academy's Trustees, 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's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 21-12-21

Education and Leadership Trust

Independent Reporting Accountant's Assurance Report on Regularity to Education and Leadership Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 27 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Education and Leadership Trust during the period 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 Education and Leadership Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Education and Leadership Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Education and Leadership Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Education and Leadership Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Education and Leadership Trust's funding agreement with the Secretary of State for Education dated 27 August 2014 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 from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.

Education and Leadership Trust

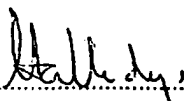
Independent Reporting Accountant's Assurance Report on Regularity to Education and Leadership Trust and the Education and Skills Funding Agency (continued)

- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

- During the year the academy Trust has not shared monthly management accounts in accordance with section 2.18, 2.19 and 2.21 of the Academies Financial Handbook. We have reviewed management information in respect of September and October 2021 and can confirm that this includes the assets and liabilities of the Trust.


.....

Reporting Accountant

Hallidays
Chartered Accountants
and
Registered Auditors

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 21-12-21

Education and Leadership Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:						
Donations and capital grants	2	14,545	5,659	-	1,287,461	1,307,665
Other trading activities	4	521,430	20,666	-	-	542,096
Investments	5	11,144	-	-	-	11,144
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	<u>26,510,767</u>	-	-	<u>26,510,767</u>
Total		547,119	26,537,092	-	1,287,461	28,371,672
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	<u>26,074,025</u>	<u>1,348,000</u>	<u>1,890,110</u>	<u>29,312,135</u>
Net income/(expenditure)		547,119	463,067	(1,348,000)	(602,649)	(940,463)
Transfers between funds		(221,714)	(365,356)	-	587,070	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	25	-	-	<u>(2,776,000)</u>	-	<u>(2,776,000)</u>
Net movement in funds/(deficit)		325,405	97,711	(4,124,000)	(15,579)	(3,716,463)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2020		<u>5,230,935</u>	<u>1,540,018</u>	<u>(11,077,000)</u>	<u>67,301,329</u>	<u>62,995,282</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>5,556,340</u>	<u>1,637,729</u>	<u>(15,201,000)</u>	<u>67,285,750</u>	<u>59,278,819</u>

Education and Leadership Trust

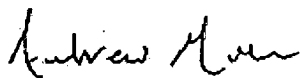
Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	225	72,770	-	505,511	578,506
Other trading activities	609,968	45,093	-	-	655,061
Investments	34,030	-	-	-	34,030
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	-	24,820,855	-	-	24,820,855
Total	644,223	24,938,718	-	505,511	26,088,452
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	-	24,527,509	1,248,000	1,601,250	27,376,759
Net income/(expenditure)	644,223	411,209	(1,248,000)	(1,095,739)	(1,288,307)
Transfers between funds	(99,435)	(448,655)	-	548,090	-
Other recognised gains and losses					
Actuarial (losses) / gains on defined benefit pension schemes	-	-	(2,215,000)	-	(2,215,000)
Net movement in funds/(deficit)	544,788	(37,446)	(3,463,000)	(547,649)	(3,503,307)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019	4,686,147	1,577,464	(7,614,000)	67,848,978	66,498,589
Total funds/(deficit) carried forward at 31 August 2020	5,230,935	1,540,018	(11,077,000)	67,301,329	62,995,282

Education and Leadership Trust
(Registration number: 08913502)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	66,897,693	66,832,829
Current assets			
Debtors	13	1,847,278	1,295,215
Cash at bank and in hand		<u>6,533,710</u>	<u>7,366,414</u>
		8,380,988	8,661,629
Creditors: Amounts falling due within one year	14	<u>(798,862)</u>	<u>(1,422,176)</u>
Net current assets		<u>7,582,126</u>	<u>7,239,453</u>
Total assets less current liabilities		<u>74,479,819</u>	<u>74,072,282</u>
Net assets excluding pension liability		74,479,819	74,072,282
Defined benefit pension scheme liability	25	<u>(15,201,000)</u>	<u>(11,077,000)</u>
Net assets including pension liability		<u>59,278,819</u>	<u>62,995,282</u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund	15	1,637,729	1,540,018
Restricted fixed asset fund	15	67,285,750	67,301,329
Restricted pension fund	15	<u>(15,201,000)</u>	<u>(11,077,000)</u>
		53,722,479	57,764,347
Unrestricted funds			
Unrestricted general fund	15	<u>5,556,340</u>	<u>5,230,935</u>
Total funds		<u>59,278,819</u>	<u>62,995,282</u>

The financial statements on pages 38 to 71 were approved by the Trustees, and authorised for issue on 13/12/21 and signed on their behalf by:



.....
Mr Andrew S Mullen
Trustee

Education and Leadership Trust

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(176,335)	1,363,588
Cash flows from investing activities	20	<u>(656,369)</u>	<u>(119,704)</u>
Change in cash and cash equivalents in the year		(832,704)	1,243,884
Cash and cash equivalents at 1 September		<u>7,366,414</u>	<u>6,122,530</u>
Cash and cash equivalents at 31 August	21	<u><u>6,533,710</u></u>	<u><u>7,366,414</u></u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of Preparation

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

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements 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.

ELT remain vigilant of the impact of COVID-19 and its focus remains to mitigate or limit the future impact of the pandemic. The Trust will ensure that the gaps caused by the COVID-19 pandemic are identified and addressed astutely – recognising that this is part of a longer-term strategy.

Should face-to-face learning be impacted then the Trust is well-placed to navigate this through remote learning, supporting families with limited IT facilities and socio-economic difficulties.

The Trust has a fluid COVID-19 risk register which identifies the principal risks and mitigation. In addition to the COVID-19 risk register, a risk assessment was established for all schools. The creation of the site risk assessment involved Trust Executive leaders along with consultation with staff. Trustees reviewed and approved these risk registers. The registers continue to be maintained and are updated on a regular basis.

As a publicly funded institution, the Government was clear that, as the trust continued to receive full funding, despite school closures, we should ensure that we continued to pay our staff and, where appropriate, our suppliers (including non-employed staff).

In practice, for Education and Leadership Trust, the outcome was, in terms of staffing:

- almost all employed staff were paid in full

- the exception to this were the staff employed solely to operate the Energy Box at Levenshulme High School. Other than the periods which the Energy Box was closed, these staff were furloughed with effect from 5th November 2020 to 11th April 2021.

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Income

All incoming resources are recognised when the Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. 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 unspent amount is reflected as a balance in the restricted general fund.

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

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's policies.

Donated fixed assets (excluding Transfers into the 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 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.

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This 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.

Charitable activities

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

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy. 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, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Asset class	Depreciation method and rate
Leasehold Land	0.8% (125 years) straight line
Buildings	2% straight line
Fixtures and Fittings	20% straight line
Computer Equipment	33.33% straight line
Motor vehicles	25% straight line

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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.

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.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Taxation

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

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 based on 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency/Department for Education.

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

Critical accounting estimates and areas of judgement

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

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Educational trips and visits	-	3,477	-	3,477	44,952
Capital grants	-	-	772,811	772,811	505,511
Other donations	14,545	2,182	-	16,727	28,043
Donated fixed assets	-	-	514,650	514,650	-
	<u>14,545</u>	<u>5,659</u>	<u>1,287,461</u>	<u>1,307,665</u>	<u>578,506</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General annual grant (GAG)	22,314,986	22,314,986	21,698,205
Other DfE/ESFA grants	199,602	199,602	190,002
Pupil premium	1,672,416	1,672,416	1,592,678
Teachers pay grant	247,223	247,223	246,331
Teachers pension grant	699,338	699,338	696,531
FSM	297,165	297,165	72,160
	<u>25,430,730</u>	<u>25,430,730</u>	<u>24,495,907</u>
Other government grants			
Local authority grants	670,599	670,599	246,401
Non-government grants and other income			
Other non government grants	5,000	5,000	-
Covid-19 additional funding (DfE/ESFA)			
Catch up premium	267,280	267,280	-
Other DfE/ESFA COVID 19 funding	118,450	118,450	61,963
	<u>385,730</u>	<u>385,730</u>	<u>61,963</u>
Covid-19 additional funding (non-DfE/ESFA)			
Coronavirus job retention schem	18,708	18,708	16,584
Total grants	<u>26,510,767</u>	<u>26,510,767</u>	<u>24,820,855</u>

- The academy received £267,280 of funding for catch-up premium and costs incurred in respect of this funding totalled £160,936 with the remaining £106,344 to be spent in 2021/22.

- The academy furloughed some of its health & fitness staff and claimed under the government's CJRS. The funding received of £18,708 relates to staff costs in respect of 8 staff which are included within note 8.

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

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	90,961	-	90,961	83,685
Catering income	235,873	-	235,873	315,916
Other sales	37,252	-	37,252	50,087
Energy box income	61,430	-	61,430	75,701
Insurance income	85,767	-	85,767	81,492
Other income	10,147	-	10,147	7,851
Teacher training	-	20,666	20,666	40,329
	<u>521,430</u>	<u>20,666</u>	<u>542,096</u>	<u>655,061</u>

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Bank interest	<u>11,144</u>	<u>11,144</u>	<u>34,030</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Resources expended

	Non Pay Expenditure			2020/21 Total £	2019/20 Total £
	Staff costs £	Premises £	Other costs £		
Academy's educational operations					
Direct costs	17,606,218	1,581,150	1,817,642	21,005,010	19,978,784
Allocated support costs	<u>4,169,831</u>	<u>2,196,917</u>	<u>1,940,377</u>	<u>8,307,125</u>	<u>7,397,975</u>
	<u><u>21,776,049</u></u>	<u><u>3,778,067</u></u>	<u><u>3,758,019</u></u>	<u><u>29,312,135</u></u>	<u><u>27,376,759</u></u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Resources expended (continued)

Net income/(expenditure) for the year includes:

	2020/21	2019/20
	£	£
Operating leases - other leases	18,374	26,327
Fees payable to auditor - audit	11,750	11,750
- other audit services	6,000	6,000
Depreciation	<u>1,890,110</u>	<u>1,601,250</u>

7 Charitable activities

	Total 2021	Total 2020
	£	£
Direct costs - educational operations	21,005,010	19,978,784
Support costs - educational operations	<u>8,307,125</u>	<u>7,397,975</u>
	<u>29,312,135</u>	<u>27,376,759</u>

	Educational operations	2020/21 Total	2019/20 Total
	£	£	£
Analysis of support costs			
Support staff costs	4,169,831	4,169,831	4,021,717
Depreciation	308,960	308,960	272,166
Premises costs	1,887,957	1,887,957	1,836,103
Legal costs - other	7,467	7,467	13,536
Other support costs	1,912,752	1,912,752	1,196,298
Governance costs	<u>20,158</u>	<u>20,158</u>	<u>58,155</u>
Total support costs	<u>8,307,125</u>	<u>8,307,125</u>	<u>7,397,975</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	15,332,312	14,551,846
Social security costs	1,567,229	1,502,725
Pension costs	4,300,305	3,999,955
	21,199,846	20,054,526
Agency staff costs	528,013	389,438
Staff restructuring costs	48,190	37,534
	21,776,049	20,481,498
	2021 £	2020 £
Staff restructuring costs comprise:		
Redundancy payments	29,190	-
Severance payments	19,000	37,534
	48,190	37,534

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £19,000 (2020: £37,534). Individually, the payments were:

- Non-contractual payments £4,000
- Non-contractual payments £5,000
- Non-contractual payments £10,000

Staff numbers

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

	2020/21 No	2019/20 No
Teachers	248	247
Administration and support	226	217
Management	31	32
	505	496

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

.8 Staff (continued)

Higher paid staff

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

	2021 No	2020 No
£60,001 - £70,000	8	6
£70,001 - £80,000	6	6
£80,001 - £90,000	2	3
£90,001 - £100,000	1	2
£100,001 - £110,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £846,897 (2020: £786,474).

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

9 Central services

The academy trust charges for these services on the following basis:

Trust Central Costs - split on the basis of pupil numbers in each school:

- Salary (including on-costs) of Executive Headteacher
- Part of the salary (including on-costs) of Trust Finance Officer
- Part of the salary (including on-costs) of Trust HR Director
- Audit: External and Internal
- Clerking, legal fees and other costs associated with Trust Board

The actual amounts charged during the year were as follows:

	2021/20
	£
Whalley Range 11-18 High School	234,948
The East Manchester Academy	156,632
Levenshulme High School	<u>153,204</u>
	<u><u>544,784</u></u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The executive headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of executive headteacher and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

Mr Matthew Begg (Staff director 01.09.2019 to 29.01.2020):

Remuneration: (2020 - £15,000 - £20,000)

Employer's pension contributions: (2020 - £0 - £5,000)

Dr Johan MacKinnon (Executive Headteacher & Accounting Officer):

Remuneration: £130,000 - £135,000 (2020 - £120,000 - £125,000)

Employer's pension contributions: £15,000 - £20,000 (2020 - £25,000 - £30,000)

Catherine Elizabeth Wragg (Deputy headteacher 01.09.2019 to 10.03.2020):

Remuneration: £70,000 - £75,000 (2020 - £35,000 - £40,000)

Employer's pension contributions: £15,000 - £20,000 (2020 - £5,000 - £10,000)

No other trustees received any remuneration or expenses.

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020 - £Nil) were reimbursed or paid directly to 0 trustees (2020 - 0).

Other related party transactions involving the trustees are set out in note 26.

11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects members/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 members/trustees and officers indemnity element from the overall cost of the RPA scheme.

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Fixtures, plant and equipment £	Computer hardware £	Total £
Cost					
At 1 September 2020	27,108,612	43,701,302	2,821,242	2,421,203	76,052,359
Additions	<u>502,857</u>	<u>-</u>	<u>591,952</u>	<u>860,165</u>	<u>1,954,974</u>
At 31 August 2021	<u>27,611,469</u>	<u>43,701,302</u>	<u>3,413,194</u>	<u>3,281,368</u>	<u>78,007,333</u>
Depreciation					
At 1 September 2020	1,414,427	4,184,982	1,738,529	1,881,592	9,219,530
Charge for the year	<u>236,852</u>	<u>843,352</u>	<u>356,694</u>	<u>453,212</u>	<u>1,890,110</u>
At 31 August 2021	<u>1,651,279</u>	<u>5,028,334</u>	<u>2,095,223</u>	<u>2,334,804</u>	<u>11,109,640</u>
Net book value					
At 31 August 2021	<u>25,960,190</u>	<u>38,672,968</u>	<u>1,317,971</u>	<u>946,564</u>	<u>66,897,693</u>
At 31 August 2020	<u>25,694,185</u>	<u>39,516,320</u>	<u>1,082,713</u>	<u>539,611</u>	<u>66,832,829</u>

13 Debtors

	2021 £	2020 £
Trade debtors	124,930	126,967
VAT recoverable	225,309	150,632
Other debtors	33,810	41,962
Prepayments	257,159	304,033
Accrued income	<u>1,206,070</u>	<u>671,621</u>
	<u>1,847,278</u>	<u>1,295,215</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	199,903	732,761
Other creditors	57,691	53,272
Accruals	518,672	578,014
Deferred income	22,596	58,129
	798,862	1,422,176
	2021 £	2020 £

Deferred income

Deferred income at 1 September 2020	58,129	7,693
Resources deferred in the period	22,596	58,129
Amounts released from previous periods	(58,129)	(7,693)
Deferred income at 31 August 2021	22,596	58,129

At the balance sheet date the trust was holding funds received in advance in respect of staff funds and learning support.

15 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	1,463,708	22,314,986	(21,898,356)	(365,356)	1,514,982
Other DfE/ESFA grants	76,310	199,602	(275,912)	-	-
Pupil premium	-	1,672,416	(1,672,416)	-	-
Other income	-	720,632	(704,229)	-	16,403
FSM	-	297,165	(297,165)	-	-
Teachers pension grant	-	699,338	(699,338)	-	-
Teacher pay grant	-	247,223	(247,223)	-	-
Catch up premium	-	267,280	(160,936)	-	106,344
Other DfE/ESFA Covid 19 funding	-	118,450	(118,450)	-	-
	1,540,018	26,537,092	(26,074,025)	(365,356)	1,637,729

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted fixed asset funds					
DfE/ESFA capital grants	19,076,272	772,811	(684,009)	-	19,165,074
Capital expenditure from GAG	3,828,141	-	(115,743)	587,070	4,299,468
Transfer on conversion	44,308,272	-	(1,069,498)	-	43,238,774
Other capital income	88,644	27,000	(4,055)	-	111,589
DfE donated assets	-	487,650	(16,805)	-	470,845
	<u>67,301,329</u>	<u>1,287,461</u>	<u>(1,890,110)</u>	<u>587,070</u>	<u>67,285,750</u>
Restricted pension funds					
Pension reserve	<u>(11,077,000)</u>	-	<u>(1,348,000)</u>	<u>(2,776,000)</u>	<u>(15,201,000)</u>
Total restricted funds	57,764,347	27,824,553	(29,312,135)	(2,554,286)	53,722,479
Unrestricted funds					
Unrestricted general funds	<u>5,230,935</u>	<u>547,119</u>	-	<u>(221,714)</u>	<u>5,556,340</u>
Total funds	<u>62,995,282</u>	<u>28,371,672</u>	<u>(29,312,135)</u>	<u>(2,776,000)</u>	<u>59,278,819</u>

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	1,577,464	21,698,205	(21,363,306)	(448,655)	1,463,708
Other DfE/ESFA grants	-	1,260,095	(1,183,785)	-	76,310
Pupil premium	-	1,592,678	(1,592,678)	-	-
Other income	-	387,740	(387,740)	-	-
	<u>1,577,464</u>	<u>24,938,718</u>	<u>(24,527,509)</u>	<u>(448,655)</u>	<u>1,540,018</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	19,028,356	505,511	(457,595)	-	19,076,272
Capital expenditure from GAG	3,358,732	-	(78,681)	548,090	3,828,141
Transfer on conversion	45,371,122	-	(1,062,850)	-	44,308,272
Other capital income	90,768	-	(2,124)	-	88,644
	<u>67,848,978</u>	<u>505,511</u>	<u>(1,601,250)</u>	<u>548,090</u>	<u>67,301,329</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted pension funds					
Pension reserve	(7,614,000)	-	(1,248,000)	(2,215,000)	(11,077,000)
Total restricted funds	61,812,442	25,444,229	(27,376,759)	(2,115,565)	57,764,347
Unrestricted funds					
Unrestricted general funds	4,686,147	644,223	-	(99,435)	5,230,935
Total funds	<u>66,498,589</u>	<u>26,088,452</u>	<u>(27,376,759)</u>	<u>(2,215,000)</u>	<u>62,995,282</u>

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

General Annual Grant must be used for the normal running expenses of an Academy and any amounts carried forward at the end of the financial year must be in accordance with the terms of the Funding Agreement.

Other DfE/ESFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants include LA funding for High Needs, LAC pupil premium and FSM income.

Other restricted funds include contributions received for educational visits and non public donations and the related expenditure.

The pension reserve represents the value of the Academy's share of the deficit in the Local Government Pension Scheme. The deficit at 1 September 2020 was £11,077,000 and had risen to £15,201,000 at 31 August 2021.

Restricted fixed assets funds are those funds relating to the long term assets of the Academy used in delivering the objects of the Academy.

Unrestricted funds are funds which the Trustees may use in the pursuance of the Academy's objectives and are expendable at the discretion of the Trustees.

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Levenshulme High School	1,778,438	1,540,012
Whalley Range 11-18 High School	2,881,101	2,887,234
The East Manchester Academy	2,534,493	2,325,346
Central services	37	18,361
Total before fixed assets and pension reserve	7,194,069	6,770,953
DfE/ESFA capital grants	67,285,750	67,301,329
Pension reserve	<u>(15,201,000)</u>	<u>(11,077,000)</u>
Total	<u>59,278,819</u>	<u>62,995,282</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £	Total 2020 £
Levenshulme High School	4,825,397	989,730	366,896	1,014,916	7,196,939	6,776,840
Whalley Range 11-18 High School	7,580,102	1,121,365	583,912	1,442,821	10,728,200	10,153,662
The East Manchester Academy	4,887,297	769,760	631,953	1,282,536	7,571,545	6,817,259
Central services	313,422	138,976	-	124,942	577,340	418,029
Academy Trust	<u>17,606,218</u>	<u>3,019,831</u>	<u>1,582,761</u>	<u>3,865,215</u>	<u>26,074,024</u>	<u>24,165,790</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Levenshulme High School	4,622,450	940,139	444,935	769,316	6,776,840
Whalley Range 11-18 High School	7,165,103	1,074,545	852,925	1,061,087	10,153,662
The East Manchester Academy	4,412,830	791,789	708,790	903,850	6,817,259
Central services	259,398	117,243	-	41,388	418,029
Academy Trust	<u>16,459,781</u>	<u>2,923,716</u>	<u>2,006,650</u>	<u>2,775,641</u>	<u>24,165,790</u>

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	66,897,693	66,897,693
Current assets	5,556,340	2,436,591	388,057	8,380,988
Current liabilities	-	(798,862)	-	(798,862)
Pension scheme liability	-	<u>(15,201,000)</u>	-	<u>(15,201,000)</u>
Total net assets	<u>5,556,340</u>	<u>(13,563,271)</u>	<u>67,285,750</u>	<u>59,278,819</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	66,832,829	66,832,829
Current assets	5,230,935	2,962,194	468,500	8,661,629
Current liabilities	-	(1,422,176)	-	(1,422,176)
Pension scheme liability	-	<u>(11,077,000)</u>	-	<u>(11,077,000)</u>
Total net assets	<u>5,230,935</u>	<u>(9,536,982)</u>	<u>67,301,329</u>	<u>62,995,282</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	<u>388,056</u>	<u>468,500</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	24,017	55,218
Amounts due between one and five years	-	46,975
	24,017	102,193

19 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020/21 £	2019/20 £
Net expenditure for the reporting period (as per the statement of financial activities)	(940,463)	(1,288,307)
Depreciation	1,890,110	1,601,250
Capital grants from DfE and other capital income	(1,287,461)	(505,511)
Interest receivable	(11,144)	(34,030)
Defined benefit pension scheme cost less contributions payable	1,150,000	1,098,000
Defined benefit pension scheme finance cost	198,000	150,000
Increase in debtors	(552,063)	(439,740)
(Decrease)/increase in creditors	(623,314)	781,926
Net cash (used in)/provided by Operating Activities	(176,335)	1,363,588

20 Cash flows from investing activities

	2020/21 £	2019/20 £
Dividends, interest and rents from investments	11,144	34,030
Purchase of tangible fixed assets	(1,440,324)	(659,245)
Capital funding received from sponsors and others	772,811	505,511
Net cash used in investing activities	(656,369)	(119,704)

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

21 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	<u>6,533,710</u>	<u>7,366,414</u>
Total cash and cash equivalents	<u>6,533,710</u>	<u>7,366,414</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	7,366,414	(832,704)	6,533,710
	-	-	-
Total	<u>7,366,414</u>	<u>(832,704)</u>	<u>6,533,710</u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Contingent liabilities

During the life of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to:-

- a) the value at that time of the Trust's site and premises and other assets held for the purpose of the Trust and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

24 Members' liability

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

25 Pension and similar obligations

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

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 period amounted to £2,322,610 (2020: £2,121,187). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,115,000 (2020 - £963,000), of which employer's contributions totalled £835,000 (2020 - £770,000) and employees' contributions totalled £280,000 (2020 - £193,000). The agreed contribution rates for future years are 18.5 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.70	3.00
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.70</u>

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

	2021	2020
Retiring today		
Males retiring today	20.50	20.50
Females retiring today	23.30	23.10
Retiring in 20 years		
Males retiring in 20 years	21.90	22.00
Females retiring in 20 years	<u>25.30</u>	<u>25.00</u>

Sensitivity analysis

	2021	2020
	£	£
Discount rate -0.1%	832,000.00	3,277,000.00
Salary increase rate +0.1%	7,500.00	324,000.00
Pension increase rate +0.1%	744,000.00	2,894,000.00
Mortality assumption – 1 year decrease	<u>1,309,000.00</u>	<u>995,080.00</u>

The academy trust's share of the assets in the scheme were:

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

	2021 £	2020 £
Equities	12,442,000	9,384,000
Government bonds	2,629,000	2,208,000
Property	1,226,500	966,000
Cash and other liquid assets	<u>1,226,500</u>	<u>1,242,000</u>
Total market value of assets	<u><u>17,524,000</u></u>	<u><u>13,800,000</u></u>

The actual return on scheme assets was £2,824,000 (2020 - £81,000).

LGPS Amounts recognised in the statement of financial activities

	2020/21 £	2019/20 £
Current service cost	(1,150,000)	(1,098,000)
Interest income	242,000	244,000
Interest cost	<u>(440,000)</u>	<u>(394,000)</u>
Total amount recognized in the SOFA	<u><u>(1,348,000)</u></u>	<u><u>(1,248,000)</u></u>

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

	2020/21 £	2019/20 £
At start of period	24,877,000	20,552,000
Current service cost	1,985,000	1,868,000
Interest cost	440,000	394,000
Employee contributions	280,000	193,000
Actuarial (gain)/loss	5,358,000	2,052,000
Benefits paid	<u>(215,000)</u>	<u>(182,000)</u>
At 31 August	<u><u>32,725,000</u></u>	<u><u>24,877,000</u></u>

Education and Leadership Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

25 Pension and similar obligations (continued)

Movements in the fair value of trust's share of scheme assets

	2020/21	2019/20
	£	£
At start of period	13,800,000	12,938,000
Interest income	242,000	244,000
Actuarial gain/(loss)	2,582,000	(163,000)
Employer contributions	835,000	770,000
Employee contributions	112,000	193,000
Benefits paid	(215,000)	(182,000)
At 31 August	<u>17,356,000</u>	<u>13,800,000</u>

26 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. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

Greater Manchester Learning Trust (GMLT)

(Greater Manchester Learning Trust - a trust in which Damian Owen (Interim Executive Headteacher & Accounting Officer) is also Trustee & Executive Headteacher.

The arrangement was initially contracted till 21 December 2021. This has now been extended to 31 August 2022. ESFA approval for this was received on 1st December 2021.

During the year the trust paid £9,600 as part of a service level agreement to GMLT.

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due from/(to) Greater Manchester Learning Trust (GMLT) was £9,600 (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying 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.