

Company Registration No. 07577113 (England and Wales)

ASTON COMMUNITY EDUCATION TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

ASTON COMMUNITY EDUCATION TRUST

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ASTON COMMUNITY EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

J Barton (Chair)
R Dyson (Deceased 25 October 2020)
C Kinsella (Vice Chair)
A Brickles
J Hudson
J Ford
C McGowan
H Rodgers (Appointed 11 March 2021)

Members

J Barton
T Baum-Dixon
J Sharman
J Nichols (Appointed 11 March 2021)
J Dawson (Appointed 11 March 2021)

Senior management team

- CEO/Accounting Officer	E Newton
- Executive Principal/Assistant CEO	R Scutt
- Executive Principal	J Sanigar (Retired 30 April 2021)
- Executive Principal	R Hibberd
- CFO	M Catling (Retired 31 August 2021)
- Acting CFO	P Wilkinson (Appointed 1 September 2021)
- Senior HR Officer	G Shore
- Senior Estates Officer	A Watson (Retired 31 December 2020)
- Senior Estates Officer	C Arthur (Appointed 1 January 2021)
- Clerk to Trustees/Senior Clerk to Governors	K Sills
- Principal	R Stones
- Principal	C Keeton
- Principal	D Simpson
- Principal	L Jones
- Principal	L Carter
- Principal	M Cottingham
- Principal	D Curran
- Principal	K Wright
- Principal	S Bacon
- Principal	R Malton (Appointed 1 January 2021)
- Principal	F Gossiel

Company registration number

07577113 (England and Wales)

Registered office

ACET House
66 Holderness Drive
Aston
Sheffield
S26 2BH

ASTON COMMUNITY EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated	Location	Head of Academy
Aston Academy	Rotherham	D Curran
Thurcroft Junior Academy	Rotherham	R Stone
Lowedges Junior Academy	Sheffield	L Jones
Springwood Junior Academy	Rotherham	R Malton
Aughton Junior Academy	Rotherham	K Wright
Swinton Academy	Rotherham	R Hibberd
Shirebrook Academy	Mansfield	M Cottingham
Temple Normanton Junior Academy	Chesterfield	L Carter
Listerdale Junior Academy	Rotherham	D Simpson
Brookfield Junior Academy	Rotherham	F Gossiel
Langwith Bassett Junior Academy	Mansfield	S Bacon
Waverley Junior Academy	Rotherham	C Keeton

Independent auditor

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Bankers

Lloyds TSB
14 Church Street
Sheffield
S1 1HP

Investment advisors

St James's Place
1 Tetbury Road
Cirencester
Gloucestershire
GL7 1FP

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees of Aston Community Education Trust (ACET) present their annual report together with the financial statements and auditor's report of the Charitable Company for the year ended 31 August 2021. The Trustees of Aston Community Education Trust are also the Directors of the Charitable Company for the purposes of company law, therefore, the annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Academy Trust operates 9 primary and 3 secondary academies in South Yorkshire and Derbyshire. Its academies have a combined pupil capacity of 6,375 and had a roll of 5,572 in the school census on January 2021.

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 ACET are also the directors of the charitable company for the purposes of company law. The charitable company operates as Aston Community Education Trust (ACET). Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance provided by at the Charitable Company's expense via the Risk Protection Arrangement, to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default of breach of trust or breach of duty of which they may be legally guilty in relation to the Academy Trust. Provided that any such insurance shall not be extended to any claim arising from any act or omission which the Trustees knew to be in breach of trust or a breach of duty or which was committed by the Trustees in reckless disregard to whether it was in breach of trust or a breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Charitable Company. The limit of this indemnity is £10,000,000.

Method of recruitment and appointment or election of Trustees

As stated in the Articles of Association, the total number of Trustees is 7 and they may appoint up to 11 Trustees, 2 parent Trustees and up to 3 co-opted Trustees. The total number of Trustees (or co-opted Trustees) who are employees of the Company must not exceed one third of the total number of Trustees. The Secretary of State may in special circumstances appoint such additional Trustees as he sees fit. To date there have been no such additions.

Trustees are appointed by the Board of Members. Expressions of interest for the role of Trustee are invited via the ACET website and potential candidates are interviewed by the Chair of the Trust before being recommended to the Board of Members for approval. Trustees are appointed for a 2 year term of office and receive induction from the Chair of the Trust.

There are also individuals who fulfil the role of Local Governing Body (LGB) Governor within each academy and who exercise only the powers which are delegated by the Trustees, via Terms of Reference which are reviewed on an annual basis. In senior academies, the LGB consists of 13 members, of whom one is the principal, 2 are parent Governors (elected), 2 other staff Governors (elected) and 8 trust appointed Governors. In junior academies, the LGB consists of 9 members, one of whom is the principal, 2 are parent Governors (elected), 1 other staff Governor (elected) and 5 trust appointed Governors. Expressions of interest for the role of Governor are invited via the ACET or individual academy website and when vacancies arise potential candidates are interviewed by the Chair of Governors. All Governors are appointed for a 4 year term of office.

ACET Trustee details are available via the ACET website, by looking in the drop down menu "Governance" and choosing "ACET Governance". Governors' details are available via academy websites, by looking in the drop down menu "about us" and choosing "ACET" and "Governing Body".

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FOR THE YEAR ENDED 31 AUGUST 2021

Trustees

John Barton (Chair of Trustees)
Roy Dyson (Deceased 25 October 2020)
Catharine Kinsella (Vice Chair of Trustees)
Andy Brickles
Jenny Hudson
Jane Ford
Craig McGowan
Helen Rogers (appointed 11th March 2021)

Members

John Barton (Chair of ACET)
James Sharman
Tim Baum-Dixon
Jo Dawson (Appointed 11th March 2021)
Jill Nichols (appointed 11th March 2021)

Senior Management Team

Eunice Newton (CEO/Accounting Officer)
Rebecca Scutt (Executive Principal/Assistant CEO)
Josie Sanigar (Executive Principal) (retired April 30th 2021)
Rebecca Hibberd (Executive Principal) (appointed May 1st 2021)
Margaret Catling (CFO) (retired August 31st 2021)
Phil Wilkinson (Interim CFO) (appointed 1st September 2021)
Gemma Shore (Senior HR Officer)
Andy Watson (Senior Estates Officer) (retired December 31st 2020)
Chris Arthur (Senior Estates Officer) (appointed January 1st 2021)
Kendal Sills (Clerk to Trustees/Senior Clerk to Governors)

Dominic Curran (Principal)
Mark Cottingham (Principal)
James Graham (Associate Principal)
Katy Wright (Executive Principal)
Lindsey Burgin (Executive Principal)
David Simpson (Principal)
Cathryn Keeton (Principal)
Lindsay Jones (Principal)
Leica Carter (Principal)
Farouk Gossiel (Principal)
Sarah Bacon (Principal)
Ruth Stone (Principal)
Rebecca Malton (Principal)

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new Trustees will be given opportunities to visit any of the academies within the trust and the chance to meet with staff and pupils/students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees, as well as access to the Trust website.

Organisational Structure

Aston Community Education Trust (ACET) is a Multi Academy Trust, bound by amended Articles of Association which subject to the provisions of the Companies Act 2006 (and to any directions given by special resolution)

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FOR THE YEAR ENDED 31 AUGUST 2021

ensure that the activities of the Academy Trust are managed by the Board of Trustees who may exercise all the powers of the Academy Trust.

As a charitable company limited by guarantee, ACET has a Board of Members who meet at least three times each year and who:

- are subscribers to the Memorandum of Association (where they are founding Members)
- may amend the Articles of Association subject to any restrictions created by the funding agreement or charity law
- may, by special resolution, appoint new members or remove existing members other than, where there is one, the foundation/sponsor body and any Members it has appointed
- have powers to appoint Trustees as set out in the trust's Articles of Association and powers under the Companies Act 2006 to remove Trustees
- may, by special resolution, issue direction to the Trustees to take a specific action
- appoint the trust's external auditors and receive (but do not sign) the audited annual report and accounts (subject to the Companies Act)
- have power to change the company's name and, ultimately, wind it up.

The Board of Members ensures clarity of vision, ethos and strategic direction; meeting at least three times a year and executing its responsibility through the monitoring and scrutiny of reports through the observation of Trustees meetings.

The Board of Trustees oversees the business of the academy trust and has a responsibility to safeguard and promote the welfare of children.

Its focus should be on the three core functions of governance:

- ensuring clarity of vision, ethos and strategic direction
- holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff
- overseeing and ensuring effective financial performance.

In essence they set the direction of the trust, hold the CEO, other Senior Trust Leaders and Principals to account and ensure financial probity. As charity Trustees, they must also ensure that they are complying with charity law requirements. Academy trusts are charitable companies and the Trustees are company directors and must comply with company law requirements. Trustees are responsible under the Articles for controlling the trust's management and administration and ensuring it is solvent and well-run; and delivering the trust's charitable outcomes for the benefit of the public. The Board meets at least 6 times per year and has two sub committees: Appraisal and Remuneration and the Audit and Finance Committee.

Trustees must comply with the trust's charitable objects, with company and charity law, and with their contractual obligations under the funding agreement. Company directors' duties are described in sections 170 to 181 of the Companies Act 2006, but in summary are to:

- act within their powers
- promote the success of the company
- exercise independent judgement
- exercise reasonable care, skill and diligence
- avoid conflicts of interest
- not accept benefits from third parties
- declare interest in proposed transactions or arrangements.

As an organisation, the trust has a range of obligations under current legislation and statutory guidance, including such matters as safeguarding, health and safety and estates management and ensuring strong governance.

ACET recognises the importance of the local context of its academies and the many benefits that engaging members of the local community can bring. Therefore, the trust appoints separate committees for each academy (known as Local Governing Bodies) and seeks to attract people with appropriate experience, skills and time who

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FOR THE YEAR ENDED 31 AUGUST 2021

wish to make a difference through participation as local governors within the trust. Local Governing Bodies (LGBs) meet every half term and have delegated responsibilities from the Board of Trustees for:

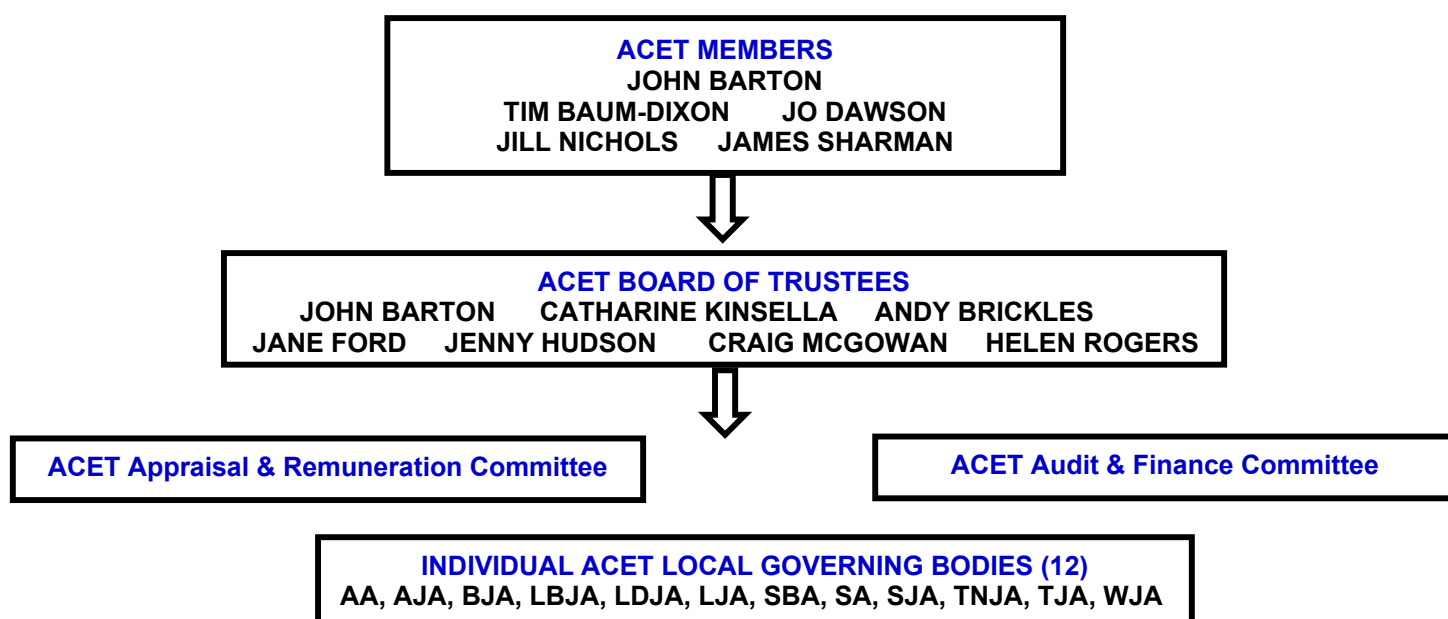
- Ensuring the quality of educational provision
- Challenging and monitoring the performance of the academy
- Supporting the principal in the management of staff
- Ensuring good financial health and probity of the Voluntary Funds.

Local Governing Bodies have a Chair, Vice Chair and named Governors with specific responsibilities such as Pastoral Care, Equality & Diversity, Inclusion, Child Protection and Safeguarding. A full induction programme is offered to all Governors on joining the trust and a programme of training is delivered in response to needs identified in an audit being carried out at the start of each academic year. Chairs of Governors have access to briefings with the CEO and Clerk, which feedback confirms are supportive and well received.

LGBs make recommendations regarding policies to the Board of Trustees who retain responsibility for approving policies and all aspects of financial management relating to the individual academies. The Senior Leadership Team comprising of the CEO, other Senior Executive Officers and Principals implement policy and practice approved by the Trustees in accordance with the Scheme of Delegation which includes:

- Purchases of goods and services up to £10,000 allowed providing the market has been tested and the principles of best value applied;
- Purchases of goods and services over £10,000 and up to £75,000 providing at least 2 quotes are obtained, a written record of all quotes including verbal kept and linked to the purchase order on Xero, and the principles of best value are applied;
- Purchases of goods and services over £75,000 to be part of a tendering process; minimum of 3 suitable contractors whenever possible; information on such projects provided for discussion and approval at the appropriate governing body committee; approval of the tenders to include at least one non staff Trustee and be either in person or via email where necessary, maintaining the confidentiality of the source of the tenders and noting the reasons, should the decision not be in favour of the lowest value tender.

ACET works hard to ensure that the Board of Trustees and all LGBs have a full complement of members with a balance of skills and experience. The Board of Members reviews the performance of the Board of Trustees and individual Trustees at each of the three meetings it holds annually. Reports on the performance of each LGB and the contribution made by individuals are presented at each Board of Trustees meeting.



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Annual Review of Governance

ACET is extremely fortunate in the expertise and composition of its Board of Members and Board of Trustees, who, under the highly effective leadership of the Chair, regularly commit generous amounts of time to trust business and in 2020/2021 were able to recruit three talented individuals, two of whom were appointed as Members and one as Trustee.

The Board of Trustees decided that the celebration of ACET's tenth anniversary in the Summer Term of 2021 was an appropriate time to review the original Vision, Values and policy statements. Trustees agreed that the trust remains committed to 'striving for excellence' and 'empowering achievement' in its purpose which is the improvement of education locally for all pupils/students. ACET still aspires to be fully inclusive, with a passion for accelerating progress for all children, not least those with SEND and the most disadvantaged. Trustees are proud of the culture of the MAT as a family of academies which is now embedded across the trust.

Trustees show tremendous commitment to the trust, maintaining high levels of attendance at Board meetings and giving generously of their time to support other trust developments. During academic year 2020/2021 a named Safeguarding Trustee role was reassigned to support and challenge the work of the ACET Safeguarding Panel. A named Estates Trustee was also appointed to monitor the use of School Condition Allocation funding in response to the intense scrutiny associated with ensuring the appropriate and effective use of Capital Funding awarded to multi academy trusts nationally.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for key personnel is reviewed annually via the appraisal process and in line with the annually reviewed and revised Pay Policy. The Appraisal & Remuneration Committee exercises responsibility for and oversight of the implementation of the Trust's Appraisal Policy including the appointment of Trustee Review Panels for the principals' and CEO's performance management. In setting remuneration levels, the Committee takes into consideration the following elements; basic salary; pension provisions and the main terms and conditions of each individuals' service agreement, with particular reference to the notice provisions. The pay and remuneration of the CEO is reviewed annually by the pay review panel consisting of 3 members, with the assistance of an independent external advisor. In line with the latest DfE guidance, no members of the panel are employees of the trust.

Trade union facility time

Relevant union officials:

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

Percentage of time spent on facility time:

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

Percentage of pay bill spent on facility time:

Provide the total cost of facility time	£23,965.70
Provide the total pay bill	£26,356,449.74
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.09%

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Paid trade union activities:

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	20.82%
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Risk management

The Board of Trustees have assessed the major risks to which ACET is exposed, in particular those relating to teaching, provision of facilities, financial and other operational areas. Systems and procedures are in place, including a Risk Register, to manage those risks. The procedures include identifying potential risks, assessing them against a scoring system and identifying preventative measures as well as looking at resilience measures. There are in place a number of systems to assess risks that the trust faces, particularly in operational areas, including teaching, health & safety, anti-bullying and academy educational visits. Systems include vetting of new staff and visitors; monitoring and supervision of the academy sites and internal financial controls, including a Controls Assurance Statement, which is reviewed at appropriate times by the Trustees. Where significant financial risk can still be identified the Trustees have ensured that adequate insurance cover is in place.

Connected organisations including related party transactions

ACET does not undertake any related party transactions. One ACET Trustee is also the Chair of Governors at one of Shirebrook Academy's contributory primary schools.

Engagement with employees (including disabled persons)

We believe a diverse and engaged workforce is crucial in providing high quality education in our academies and therefore, strive to develop effective communication and mutually respectful relationships across the trust. Curriculum and Business Leaders regularly communicate with our employees with regard to factors which affect performance, and seek to maintain constructive relationships with unions/professional associations formally representing our employees.

The trust has an inclusive and diverse approach to recruitment, retention and development. We provide high quality CPD opportunities for our staff, identifying talent and establishing effective succession plans. We undertake confidential staff surveys to ascertain what our staff think and feel about the academies and trust.

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

ACET ensures that all decisions taken reflect the vision and values of the trust which are regularly communicated to our pupils/students, staff, suppliers and stakeholders to whom we are accountable. Creating value for our stakeholders is at the heart of our strategy and knowing what matters to them informs our decisions.

The trust takes its responsibility very seriously including that which relates to business ethics, anti-bribery and corruption, human rights and environmental stewardship. Whilst always striving to achieve best value, we also acknowledge our strong preference to invest in our local communities. We work closely with our supply chain and customers to ensure that all business relationships are conducted with integrity and courtesy to honour business agreements. We do not undertake any related party transactions.

Objectives and activities

Objects and Aims

Aston Community Education Trust (ACET) is a not for profit charity established since May 2011, which sponsors primary and secondary academies in South Yorkshire and Derbyshire. The principal object and activity of the Charitable Company is the operation of Aston Community Education Trust to provide education for pupils/students of different abilities between the ages of 2 and 19. In accordance with the Articles of Association

ASTON COMMUNITY EDUCATION TRUST

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FOR THE YEAR ENDED 31 AUGUST 2021

the Charitable Company has adopted a "Scheme of Governance" approved by the Secretary of State for Education.

The Trust is one single organisation made up of all our academies which share the same vision and values. We regard ourselves as a family of schools, working together to ensure that all our young people benefit from high quality educational provision which will enhance their life chances and ability to contribute to the local and wider community. We care deeply about our young people and prioritise them and their learning at all times. We recognise the important influence parents/carers have on their children's lives and work closely with them in helping to improve their children's self-esteem, resilience and learning progress.

ACET wants its academies to be at the centre of their communities; to retain and develop their own unique character and local community links whilst implementing the policy and practise of the Multi Academy Trust (MAT). In accepting a school into the trust we have no intention of separating it from its local community. We are opposed to elitism when it means that one group of youngsters succeed at the expense of others, therefore, whilst working with partners, we would hope to establish strong links with the school's host Local Authority and other local organisations. As our record demonstrates, we are committed to supporting all schools in informal and formal arrangements whenever we are asked to do so. From the very outset of our work with a partner school, we would work closely with relevant local bodies to ensure that we fully understand and meet the needs of the community.

We believe that local children should attend local schools and so our academies are not selective in admitting children. All our academies are fully inclusive and welcome children from all backgrounds and ability groups, including those who might be categorised as vulnerable. We are committed to meeting the needs of all our children, believing they possess unlimited potential and that it is our responsibility to unlock that potential and empower them to be the very best that they can be. We have an excellent record with children with SEND and pride ourselves on exhausting every existing intervention to enable children to succeed and then if necessary we will create more - we are determined that no child will be left behind. We strive to create positive learning environments in which fixed and permanent exclusions are used sparingly and only as a last resort.

We value our staff, striving to recruit and retain high quality practitioners and to develop and deploy them to their best effect. We follow the guiding principles of School Teachers Pay & Conditions and National Joint Council Conditions of Service and endeavour to engage positively with professional associations. We recognise and accept our responsibility to collaborate with other organisations in promoting the development of education provision as a whole.

We want to be known for our track record in improving schools and raising standards; prioritising attendance, behaviour, literacy and numeracy. We want happy, healthy and confident children in our academies and believe that Physical Education and Sports make an important contribution to physical and mental wellbeing. We fully appreciate the fundamental importance of learning to read well and, therefore, strive for excellence in the teaching of Phonics in our junior academies and are extremely proud of the outstanding provision we offer in the Early Years Foundation Stage (EYFS). Whilst focusing on these core skills, ACET academies offer a wide curriculum model which provides for all aspects of a child's development.

Objectives, strategies and activities

ACET, through its academies:

- is committed to providing high quality learning and teaching, enabling everyone to reach their full potential, whatever their age, ability, gender or ethnicity.
- believes that every person is unique.
- works together in an inclusive environment of mutual respect and consideration, valuing everyone's contribution.
- recognises that parents/carers are key to supporting the learning of their child and seeks to establish positive working relationships between home and academy.
- works to establish a partnership with the local and wider community to support our young people taking a successful place in society.
- ensures that all adults recognise their responsibility to safeguard and promote the welfare of children.
- values all staff, governors and volunteers and provides high quality training and opportunities to ensure their on-going development.

ASTON COMMUNITY EDUCATION TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Children have unlimited potential and it is our responsibility to ensure that they maximise this potential. The ACET ethos starts with good behaviour, leading to strong personal values and feeling of worth. We back this up with strong pastoral care to ensure that our pupils/students can focus on their education in the widest sense. We want every pupil/student to achieve their potential. This encompasses their academic, social and personal development.

We are committed to providing education for all youngsters from the community which our academies serve and therefore, would never adopt a selective admissions policy. We are equally committed to avoiding fixed and permanent exclusions for pupils/students in our care. Our continuous drive to improve achievement across the key stages, indicates our ambition for ALL our pupils/students.

Our staff are talented, dedicated professionals, committed to delivering top quality education. There is a strong focus on developing the profession and on continuous improvement. Trustees, Governors, teachers and associate professionals work together as a team and indeed team work with all our partners is another critical aspect of our educational ethos and reason for our success.

Public benefit

The Trustees have due regard to the guidance and requirements on public benefit published by the Charity Commission, in exercising their powers or duties and will further take into consideration the revised guidance when this is published. A key object of the trust is to advance for the public benefit education in the United Kingdom and when setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit'.

Employees and disabled persons

Recruitment of staff is provided for in ACET's Equal Opportunities in Employment Policy where it states, in relation to recruitment:

- Advertisements shall not imply that there is a preference for a particular group of applicants, unless there is a Genuine Occupational Qualification which limits a post to a particular group, in which case this will be clearly stated.
- Job Descriptions will give as much clear and accurate information as necessary to enable applicants to assess their suitability for the post.
- Person specifications shall only include requirements that are necessary and justifiable for the effective performance of the job. Particular attention will be paid to selection criteria to ensure potential applicants are not restricted or disadvantaged on the grounds of gender, marital status, age, race, disability, sexual orientation, religion or belief.
- The aim of the selection process is to determine the best candidate for the post in a thorough and objective manner. Individuals will be selected, promoted and treated on the basis of their ability to carry out a particular job. Criteria and tests will be selected to ensure that they are related to job requirements and not unlawfully discriminatory. This process will be continually reviewed to ensure all applicants are treated fairly.
- We will consider all reasonable adjustments to the selection process, the working environment and the job, where that would help overcome the practical effects of a disability.

For existing employees who become disabled, we undertake to make reasonable adjustments in areas such as physical environment, duties, working pattern etc. Employees with disabilities also have dispensation under the Special Leave of Absence Policy for paid time off from work for appointments related to their disability.

ACET strongly supports an ethos of inclusivity and consults regularly with staff on matters which may affect them. Regular meetings are held fortnightly with senior leaders and trade union representatives as a communication channel between staff and leaders. Staff governors are elected for each individual Local Governing Body. Any potential item for consultation is discussed at both trade union meetings and governing body meetings, then staff are consulted via staff briefings, meetings, working groups and other communication appropriate to the individual situation, with a timeline for consultation communicated at the outset.

ASTON COMMUNITY EDUCATION TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

Key priorities for all academies remain to:

- sustain and improve standards for all pupils/students. Individual academies have different strengths and weaknesses but there remains a focus on ensuring that the disadvantaged pupils/students achieve as well as the national non-disadvantaged in all headline measures.
- ensure revised curriculum plans impact positively on pupils'/students' learning through purposeful cross-curricular links and enhanced teacher subject knowledge
- ensure robust assessment is in place for all curriculum subjects and that this is monitored through termly progress meetings
- ensure provision for SEND pupils is closely monitored and responsive to students' needs
- continue to focus on high expectations of behaviour, consistent behaviour management and securing high levels of attendance. This has also included detailed analysis of all groups and close monitoring of Persistent Absenteeism.
- ensure rigour in the monitoring, evaluation and review of standards and the quality of teaching, learning and assessment. This has included the further development of senior and middle leadership development programmes and the coaching of staff new to leadership posts by experienced staff.
- Ensure that safeguarding is effective and that pupils/students are supported so that they are able to manage and assess risk effectively. All assembly programmes and staff briefings include updates on current issues. The curriculum continues to reinforce the understanding of fundamental British Values.

In the junior and senior academies there has been a focus on developing the curriculum in the context of the new Ofsted Inspection Framework.

ACET has an Academy Improvement Team (AIT) who work closely with each academy's leadership team to frequently monitor and report objectively on standards to governors and Trustees. They lead staff CPD, have an excellent knowledge of assessment, particularly at KS4 and KS2 and support and challenge the Principals through regular dialogue and progress meetings. The AIT also ensures that bespoke training is in place for teaching staff which may include the opportunity to observe best practice across the trust.

The AIT has continued to support and challenge leadership, including governance, ensuring that:

- the Audit and Evaluation of the academy and the resultant Academy Improvement Plan (AIP) are focused on the priorities required to move the academy swiftly forward
- revised Pupil Premium Strategies and Catch Up Plans address the key barriers to learning in each academy, ensuring funding is used effectively to improve curriculum provision and outcomes for pupils/students in order that they catch up from the distribution caused by Covid-19.
- the professional development of staff focusses on the key priorities identified in the Academy Improvement Plan through the planning and delivery of staff INSET both within the academy and across the trust so that staff are afforded the opportunity to work alongside and learn from colleagues who teach the same year groups and who have similar roles. A virtual approach has been adopted for this due to Covid-19 restrictions.
- the trust provides specialist support to the SENCO and Safeguarding leaders
- the LGBs are supported in setting challenging and ambitious targets across all phases and have a good understanding of national performance data so that the leadership of the academy can be held to account. For the academic year 2020-2021, FFT estimates were used as reference points for target setting due to pupils/students having missed a significant amount of education as a result of Covid-19.
- Covid-19 risk assessments have been revised, following consultations with staff, governors and Trustees, to reflect updated government guidance.

ACET Leadership Development Programmes

A two year Vice Principal Training Programme continued to be implemented during 2020/2021 albeit at a slower pace than originally intended due to lockdown restrictions, this will support succession planning of leadership positions across the junior academies. Nine staff are currently participating in the programme with a view to them being ready for the role of Vice Principal at the end of the course.

The programme will include training on:

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FOR THE YEAR ENDED 31 AUGUST 2021

- Quality of Education
- The ACET Appraisal Process
- Monitoring, Evaluation and Review
- Subject Deep Dives
- High Expectations & Meeting the Needs of SEND Learners
- Safeguarding including Safer Recruitment
- External Assessment - the Role of Academy Leaders
- Managing People & Difficult Conversations
- Effective Coaching
- Measuring Impact and Writing an Evaluation
- Governance
- Identifying Academy Priorities & Leading Change for Improvement

ITT Partnerships

In 2020/2021, there were three Primary School Direct trainees who had placements at Aughton, Langwith Bassett and Waverley through the ACET School Direct Programme. Training was delivered jointly by ACET personnel and Sheffield Hallam University. Two of the trainees were appointed to permanent teacher positions at Waverley for September 2021.

In 2020/2021 Aston Academy was the lead school for the ACET School Direct secondary programme, 12 trainees were recruited to the trust's School Direct programme. All trainees completed their training, 3 were recruited by ACET and the others gained employment with schools outside of the trust. As the lead school Aston Academy was responsible for interviewing trainees and arranging placements.

**ASTON COMMUNITY EDUCATION TRUST
TRUSTEES REPORT**

FOR THE YEAR ENDED 31 AUGUST 2021

Secondary Outcomes Summer 2021

2021 results	ASTON 2019	ASTON TARGETS 2021	ASTON 2021	SHIREBROOK 2019	SHIREBROOK TARGETS 2021	SHIREBROOK 2021	SWINTON 2019	SWINTON TARGETS 2021	SWINTON 2021
	ACTUAL 2019	TARGET 2021	ACTUAL 2021	ACTUAL 2019	TARGET 2021	ACTUAL 2021	ACTUAL 2019	TARGET 2021	ACTUAL 2021
KS2 APS		103.2			102.0			101.7	
COHORT	291	/	294	149	/	158	135	/	147
4+ English	77%	81%	77%	71%	78%	75.9%	78%	79%	83%
5+ English	59%	67%	57%	48%	60%	52.5%	60%	62%	61%
7+ English	25%	26%	25%	19%	21%	19%	21%	23%	25%
4+ Maths	80%	86%	78%	73%	79%	72.8%	73%	78%	80%
5+ Maths	66%	65%	64%	54%	56%	51.3%	55%	55%	59%
7+ Maths	24%	26%	21%	19%	21%	20.9%	19%	21%	22%
Combined Measures									
4+ English & Maths FFT 2021 75%	72%	81%	71%	64%	72%	67.1%	68%	73%	74%
5+ English & Maths	53%	58%	51%	40%	49%	43%	47%	49%	52%
A8 Measures									
A8 FFT 2021 5.2	4.8	5.4	4.9	4.4	5.0	4.6	4.04	5.1	5.07
EBacc (5+)	16.8%	35%	21%	9%	7%	9%	14%	20%	28%

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Outcomes 2020/2021 – KS4/5 Results Summary

Examination results in 2020/2021, at both KS4 and 5, were determined by teacher assessed grades (TAGs). The grades were decided following a rigorous process of internally standardised tests and assessments, which consisted of questions based on previous examinations or new assessment materials produced by the examination boards for this process. For each assessment used, the academy was required to make a record of this and state the level of control under which it was completed, high, medium or low. Students also signed to say that they were made aware of the assessments that would be used to determine their grades.

Teaching staff and heads of faculty were also required to sign to say that they had considered the different assessment objectives relevant to their subjects, that they had not examined students on topics which they had not been taught and that they had considered such things as 'unconscious bias'. All work was then standardised and moderated, in some cases using the expertise of the academy improvement team and/or staff from other centres. Academies were required to keep hard copies of all assessed work completed after the 24th March 2021, however, they could use, if appropriate, results from previous assessments and trial examinations completed prior to this date with no requirement to produce hard copies, only recorded grades.

All schools nationally were then open to external quality assurance, as part of issues raised by quality assurers or picked as part of a random sample. Aston and Shirebrook were not subject to any external moderation. Swinton Academy were scrutinised but received very positive feedback for the quality of work submitted. No recommendations or changes were made as a result of this process.

Aston Academy

At KS5, outcomes were very pleasing and represented a significant improvement on the previous year. Particularly pleasing was the increase in the number of A* - A and A* - B grades awarded, following the national picture for grades awarded in these categories. There was also very pleasing improvement in both the average point score attained (38.97) and the value added score (+0.4).

Computer Science, Film Studies, PE and Philosophy recorded strong individual subject performance whilst 22 out of 25 subjects achieved positive value added scores. Applied courses such as Health and Social Care, Sport and Science also maintained their success, generating a very pleasing value added score.

At KS4, students at Aston Academy achieved pleasing outcomes despite two turbulent years. The following table shows Aston's actual grades compared to their challenging FFT20 estimates.

Leaders in the academy are particularly pleased with the grade 5+ performance in maths and similarly in English.

Shirebrook Academy

KS4 performance was likewise pleasing at Shirebrook Academy. Overall, the headline results were consistent with the performance in both 2019 and 2020. They were slightly below the FFT20 estimates but broadly in line with national except at 5+ in English and A8.

Swinton Academy

At Swinton Academy, staff were very pleased with the attainment and progress of the Y11 cohort. The profile of the 2021 cohort was very similar to that in 2019. The results overall are comparable and in line with the challenging FFT20 estimates. Swinton are particularly pleased that the performance in English combined has improved due to the significant improvement of English Language results, a reflection of the additional emphasis and profile this has been given over the last two years. Results in Maths are strong and continue on a positive, upward trajectory.

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Outcomes 2021 - Junior Academies KS2 SATs

Due to Covid-19, there were no external assessments at KS2 in 2021.

OFSTED 2020/2021

Whilst in 2020/2021 routine inspections were temporarily suspended due to Covid-19, Ofsted did undertake monitoring visits during the Autumn Term which focussed on the evaluation of the Quality of Education being provided following national lockdown, which were not graded.

Thurcroft Junior Academy – Covid19 Monitoring Visit November 2020

Main Findings:

- Pupils' attendance is slightly higher than it was at the same time last year.
- Pupils are studying their usual range of curriculum subjects. Teachers have carried out formal and in-class assessment to identify gaps in pupils' learning. More lesson time has been made available to close the gaps identified in reading and mathematics.
- To close gaps identified in reading, leaders have prioritised the revisiting of phonics in Year 3 and Year 4. In Year 5 leaders are prioritising fluency and reading speed, and in Year 6 reading comprehension.
- In mathematics, leaders have identified gaps in pupils' knowledge of number and times tables because of COVID-19 restrictions. To close these gaps, there are activities on number and times tables every day for all year groups.
- In the wider curriculum, leaders have made changes to the sequencing of some subjects because of COVID-19 restrictions. For example, in physical education outdoor activities are being taught in the autumn term.
- In science, lessons involving practical activities are planned to come later in the year.
- In Nursery, leaders have noticed that pupils do not work together in the same way because of COVID-19 restrictions. Leaders have therefore planned more activities to help pupils work together.
- Leaders have plans to deliver the curriculum remotely to whole classes and smaller groups of pupils should the school be affected by COVID-19 restrictions in the future.

Aughton Junior Academy - Covid19 Monitoring Visit November 2020

Main findings:

- Since September, only a small number of pupils have had to work from home because they were self-isolating.
- Leaders plan to return fully to the usual curriculum by Easter 2021. There have been some adaptations to curriculum content.
- Teachers have checked pupils' starting points, and have found that some pupils have slipped back in their mental mathematical skills. In English, pupils' early reading skills are closer to age related expectations, but some pupils are lacking the stamina to write at length.
- In mathematics, teachers are focusing more on mental mathematics, times tables and telling the time.
- Leaders have increased the number of phonics sessions each day.
- In other subjects, most of the National Curriculum is being taught, although some practical science work and trips out of school to places of interest are not taking place.
- Leaders are providing remote learning for the few pupils who are self-isolating.
- Pupils who are isolating can access assignments and presentations online that cover the same content their peers are learning in class.
- Remote learning plans are in place should a class bubble have to be sent home.

ASTON COMMUNITY EDUCATION TRUST

TRUSTEES REPORT

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Lowedges Junior Academy - Covid19 Monitoring Visit February 2021

The outcome of the visit was very positive with inspectors confirming that: leaders and those responsible for governance are taking effective action in order for the school to become a good school.

Leaders and those responsible for governance should take further action to: make sure that the developments in phonics are mirrored across other subjects so that teachers and subject leaders are clear what pupils know in each subject and what they need to learn next.

Lowedges Junior Academy - Section 8 Monitoring Visit June 2021

During the one day monitoring visit, the inspectors focused on improvements made towards addressing the areas for development identified at the October 2019, Section 5 inspection.

Further focus is required to ensure that all staff have suitable expertise in the teaching of phonics and early reading.

Going concern

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

Key financial performance indicators

The Academy Trust uses performance indicators to evidence that in addition to working within all relevant legislative requirements and guidance, all funds are used in the most efficient and effective way, to fully support continuing excellence. The financial performance of the Academy Trust is monitored by the Trustees, via regular meetings and access to concise monitoring information which can be clearly and easily understood. Performance indicators include monitoring that:

- spending has been for the purpose intended;
- no Trustee, Governor or employee has benefitted personally from the use of these funds;
- the Senior Officers' payroll arrangements fully meet tax obligations;
- competitive tendering is in place and applied;
- there is probity in the use of public funds;
- segregation of duties is embedded throughout financial systems;
- regular comparison of staffing numbers against current and projected student intake takes place.

The trust is also subject to scrutiny from external organisations This could include, but may not be limited to, Ofsted inspection outcomes, examination / key stage results, pupil attendance data and pupil recruitment data, in addition to financial and investment performance. It could be presented as both achievements against objectives for the current accounting period, and as trends over time. Information from across the trust is used to inform the annual Budget Forecast return; Whole Government Accounts return; and Financial Management and Governance Evaluation.

Promoting the success of the company

Decisions, policies and procedures are always taken by the board after considering;

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct;
- the need to act fairly as between members of the company

The means by which the board ensure this have been discussed in other relevant areas of this report.

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

During the period ended 31 August 2021 total revenue expenditure of £33,185,000 (2020: £30,539,000) was covered by recurrent grant funding from the ESFA and other incoming resources together totalling £33,319,000 (2020: £30,626,000). The excess of income over expenditure was £134,000 (2020: £87,000) for the period ended 31 August 2021. All figures exclude movements in the fixed asset reserves, pension liability reserve, endowment fund and transfers. The balance as at 31 August 2021 of the restricted general funds, excluding pension reserves, plus the unrestricted funds amounted to £3,664,000 (2020: £3,335,000), after transfers from the restricted fixed asset fund of £115,000 (2020: £98,000).

Total funds at 31 August 2021 are made up as follows: fixed asset funds amounting to £76,214,000 (2020: £67,832,000), pension deficit reserve (negative) of £22,864,000 (2020: £18,364,000), General Annual Grant funding of £1,436,000, Other government grant funding of £41,000, other restricted funds amounting to £222,000 (2020: £199,000), restricted endowment funds of £3,089,000 (2020: £2,489,000) and unrestricted funds amounting to £1,965,000 (2020: 1,885,000), which in total, amount to £60,103,000 total funds for the Trust (2020: £55,292,000).

At 31 August 2021 the net book value of fixed assets was £74,088,000 (2020: 66,559,000) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust.

School Condition Allocation grant has been deployed to great effect across the trust supporting significant condition improvements to the trust estate. Significant projects include science laboratory and DT block refurbishments in some of our senior academies, together with refurbishments to the libraries in some of our junior academies.

Linked to a Local Authority Capacity Project, Aston Academy has benefited from the removal of the redundant asbestos contaminated swimming pool and the commencement of the construction which will provide a new classroom block scheduled for completion in August 2022.

Devolved Formula Capital, continues to be received and used in each individual academy within the trust.

The trust considers integrated curriculum and financial planning to be at the heart of the planning framework and such considerations inform all discussions and decisions at senior level across the trust. Senior staff within the trust are working towards producing transparent policies documenting this mechanism. The trust continues to have in place and adhere to a robust control framework including:

- ensuring compliance with delegated financial authorities
- maintaining appropriate segregation of duties
- co-ordinating the planning and budgeting process
- applying discipline in financial management, including managing debtors, creditors, cash flow and monthly bank reconciliations
- planning and oversight of any capital projects
- management and oversight of assets
- regularity, propriety and value for money in the organisation's activities
- reducing the risk of fraud and theft
- independent checking of financial controls, systems, transactions and risks.

There are now 12 academies within the trust, following the adoption of the brand new Waverley Junior Academy, adjacent to the Advanced Manufacturing Park situated within the Rotherham Metropolitan boundary and bordering Sheffield. Pupil admission numbers are higher than originally anticipated with year groups in EYFS and KS1 already being two form entry. The trust is having to operate a waiting list for places in FS2 and additional staffing were required in FS1 and FS0.

Staffing reviews, together with continuous monitoring of staffing levels / deployment across the trust, supported by other rigorous cost saving strategies continue to be used across the trust, to address ongoing funding challenges to ensure stability and sustainability whilst continuing to ensure sufficiently well-resourced academies, at least maintaining and exceeding whenever possible the pace of pupil / student progress.

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Endowment Fund

Our unit trust investments generated £31,808 in dividend income during the year. Following a £599,884 increase in the valuation of the units (after valuation movement and management charges) in which our investments are placed over the year, our initial investment in Unit Trusts now stands at £3,144,528.

Reserves policy

ACET's policy is to assess the on-going financial needs of the organisation and make sufficient provision via appropriate income streams. The overarching principle is that this year's funds are for the benefit of this year's pupils/students and that all grant funding is spent as needed, however, within this is recognition that it is absolutely vital that prudent cost projections must be used to inform the annual budget and close attention must be paid to supporting renewals and analysing historic information and how it is used in the planning process. Specific requirements of individual funding agreements are adhered to, going forward the reserves policy has a target to build up to between 1 & 2 months operating costs for each academy to ensure sufficient funds to mitigate areas of high risk across the MAT.

Unrestricted reserves are under the direction of Aston Community Education Trust and will be allocated in line with the strategic aims and objectives of the trust.

As at 31 August 2021 the unrestricted reserves were £1,965,000.

The restricted pension fund reserve is in deficit to the value of £22,864,000 as at 31 August 2021. A significant amount of this deficit has been inherited upon conversion to Academy status and the Trustees will continue to monitor this situation closely.

Investment Policy

This policy governs the investment strategy of the Aston Community Education Trust and all academies that constitute the Multi Academy Trust. The management of charitable funds and investments will comply with the requirements of the most up to date:

- Charities Act;
- Trustee Act;
- Financial Services and Markets Act (FSMA); and the
- Charity Commission guidance.

The charitable funds of the Multi Academy Trust are derived from Endowment funds, direct government and local authority grants and these funds are defined as restricted. Additional charitable funds are generated through the operational nature of the charity's work, such as providing education, training and development; these funds are defined as unrestricted.

The trustee of these funds is the Multi Academy Trust, which is managed by its Board of Trustees. Therefore, there is a sole corporate body/trustee with responsibility for managing and administering the assets of the charitable funds and investments.

Policy Scope

This policy applies to all Trustees, governors, and employees of the Multi Academy Trust; a breach of the investment policy and procedure may result in disciplinary action.

Responsibilities of the Business and Finance Committee

The Audit & Finance Committee of the Multi Academy Trust is assisted by Local Governing Bodies (where delegated authority has been provided) and is responsible for monitoring adherence to this policy, the appointment of investment advisors/managing agents, and for deciding changes between the proportions of funds invested in common investment funds and/or liquid investments (Cash Deposits).

Responsibilities of the Accounting Officer and Chief Financial Officer

The Accounting Officer is responsible for ensuring that fund managers and their staff are aware of the investment policy and for ensuring that the policy is followed for all investments held. The Accounting Officer and the Chief

ASTON COMMUNITY EDUCATION TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Financial Officer are authorised to withdraw and deposit funds from and into liquid investments (Cash Deposits) to meet immediate working capital requirements, subject to the existing authorisation protocols.

Aims and Objectives

The investment objectives of the Multi Academy Trust are to:

- Achieve a long-term real rate of return, net of inflation, to provide a source of capital to meet beneficiary and operational needs without subjecting the fund to large disinvestment that could impact the ability of the fund to meet future long-term financial commitments;
- Provide an income to the Multi Academy Trust to help maintain its operational effectiveness in the short term.

However, a total return approach will take precedent, allowing the Multi Academy Trust to focus on investments providing optimal performance in terms of overall return rather than investments which would provide the right balance of capital and income return. The protection of present and future beneficiaries will be a key responsibility of the Multi Academy Trust.

Investment & Counterparty Risk

The Multi Academy Trust acknowledges that, in order to achieve an optimal rate of return, investments will be subject to a level of risk (Risk Return Relationship). The Multi Academy Trust will seek to adopt a prudent appetite towards risk by:

- Investing in markets where financial services are closely regulated and compensation schemes are in place;
- Adopting a suitably diversified portfolio and utilising hedged products to limit the impact of systematic and unsystematic risk;
- Avoiding speculative forms of investment;
- Investing in common investment and/or unitised funds.

Professional investment advice will be sought about the most suitable investments for the Multi Academy Trust and investments will be placed with suitably qualified investment managing agents.

Ethical Investment

The Multi Academy Trust is underpinned and supported by ethical values. However, the Multi Academy Trust is mindful of its underlying principle to further the purpose of the Multi Academy Trust (provision of education); that purpose will ordinarily be best served by seeking the maximum return consistent with commercial prudence. Therefore, the Multi Academy Trust will seek to use a combination of positive and negative criteria to influence the investment decision making process.

Positive Criteria:

- responsible employment practices;
- best corporate Governance practice;
- conscientiousness with regard to human rights;
- sustainable environmental practice;
- sensitivity towards the communities in which the business operates.

The Multi Academy Trust has given due consideration to the guidance issued by the Charities Commission and has recommended against any direct investment in the following types of organisation:

- any organisation that is directly involved in indiscriminate weaponry;
- any organisation that produces pornography;
- any organisation where their principle business activity or focus is tobacco, alcoholic drink, gambling, or weekly collected home credit.

ASTON COMMUNITY EDUCATION TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Monitoring and Reporting Investments

The Multi Academy Trust will review the performance of the Investment Manager and the Investment Funds biannually by comparing their performance against that of competitors, average performance indicators, and the Investment Manager's adherence to the Investment Policy.

The Multi Academy Trust's annual report and financial statements will describe the investment policy used to select the Academy Trust's investments as well as reporting on the performance of investments.

Policy Review

The Multi Academy Trust will review and publish this policy on an annual basis, ensuring that it remains accurate and fit for purpose.

Financial and risk management objectives and policies

The Academy Trust recognises the need to identify and assess the probability of all financial risks. The objective is to comply with best practice and to have on-going, continually developing systems in place to mitigate financial risks. We continuously evaluate our systems, including appropriate software packages, to comply with our statutory obligations as an employer and we have worked with our auditors and colleagues in payroll and HR to ensure that all statutory returns have been submitted within appropriate timescales.

Principle risks and uncertainties

These include:

- Uncertainties in levels of funding, particularly in the current economic climate;
- Proposed changes to funding mechanisms at national level;
- Fluctuations in student number projections;
- Impact of raising the age of participation;
- Impact of parental choice;
- Management of pension deficit;
- Impact of inflation and other similar factors outside the control of the Academy Trust.

The Academy Trust is mindful of all these more and more and will ensure that these form part of our developing risk register on an on-going basis and that appropriate controls exist to minimise/mitigate any impact on the Academy Trust.

Fundraising

Trustees are mindful of their responsibilities linked to fund raising activities and adhere to the following principles to ensure compliance with regulatory and statutory obligations:

- Planning effectively
- Supervising fundraising activities
- Protecting the trust's reputation, money and other assets
- Identifying and ensuring compliance with the laws or regulations that apply specifically to ACET's fundraising
- Identifying and following any recognised standards that apply to the trust's fundraising activities
- Being open and accountable

Whilst fund raising initiatives are not a large part of the trust's activities, Trustees remain mindful of the need to protect vulnerable people and other members of the public from behaviour, in the course of fundraising, which is unreasonably intrusive or persistent, or involves placing undue pressure on a person to donate.

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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)	9,173,959	8,173,850
Energy consumption break down (kWh)		
• gas,	6,770,404	5,340,790
• electricity,	2,403,555	2,833,060
• transport fuel		-
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	1,234	753
Owned transport – mini-buses	29	34
Total scope 1	1,263	787
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	540	660
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles	5.57	5.57
Total gross emissions in metric tonnes CO ₂ e	1,809	1,453
Intensity ratio		
Tonnes CO ₂ e per pupil	0.327	0.278
Pupils on roll (as at October 20 / October 19 census day)	5,528	5,226

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 2021 UK Government’s Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Plans for the Future

Due to the disruption caused by the Covid pandemic and the legacy of lost learning, Trustees have decided that ACET will not seek to increase in size from September 2021 onwards but rather to support our academies in accelerating the improvement agenda, empowering pupils/students to fully catch up and leaders to promote the development of curriculum teaching and learning, in order that all ACET academies achieve an Ofsted judgement of Good or Outstanding in future inspections.

ACET is working with RMBC in planning for the future development of Aston Academy and Waverley Junior Academy where admission numbers are projected to further increase in 2021 and beyond. RMBC approved the allocation of £3.8m capital to increase capacity by 150 places at Aston Academy by the installation of additional classroom space to accommodate future student numbers and to replace temporary classrooms currently on site.

ASTON COMMUNITY EDUCATION TRUST TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Admission numbers exceeded all expectations at Waverley which has quickly established an excellent reputation within the community. The academy is well on its way to two form entry in most year groups, and already discussions are beginning to take place about strategic planning for further possible expansion.

Funds Held as Custodian Trustee on Behalf of Others

ACET acts as custodian for Bolsover Schools Sports Partnership (BSSP) to base itself in an office on site at Shirebrook Academy. BSSP provides sports education advice and educational support to schools in the Bolsover district. Schools pay a subscription to be a member and benefit from these services. Additional support can be purchased for specific events or for other related activities by the member schools. BSSP has a small number of employees who transferred from the old base at Tibshelf Community School to Shirebrook Academy on 1 September 2014, becoming employees of the Academy at that point. The cumulative reserves of the partnership are now held by Shirebrook Academy: at the year end this amounted to £91,855 (2020: £75,183). There are no other funds held as custodian trustee on behalf of others.

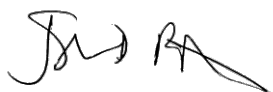
Auditor

Insofar 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 financial statement auditors, Hart Shaw LLP, are willing to continue in office and a resolution to reappoint them will be considered at the Annual General Meeting.

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, 16 December 2021 and signed on the board's behalf by:



J Barton
Chair of ACET Board of Trustees

ASTON COMMUNITY EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the CEO, 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 Aston Community Education Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
J Barton (Chair)	6	6
R Dyson (Deceased 25 October 2020)	1	1
C Kinsella (Vice Chair)	6	6
A Brickles	6	6
J Hudson	6	6
J Ford	5	6
C McGowan	6	6
H Rodgers (Appointed 11 March 2021)	3	3

ACET is extremely fortunate in the expertise and composition of its Board of Trustees, whose members, under the highly effective leadership of the Chair, regularly commit generous amounts of time to trust business. There was an appointment of a new talented trustee in 2020/21.

The Board of Trustees appointed a Working Group which reviewed governance across the trust in Summer 2019. This involved an assessment of the performance of governance at Trustee/Director and LGB level and resulted in recommendations for changes to the composition of some of the LGBs and to named governor responsibility in the context of the new Ofsted framework. These recommendations were approved by the Board of Trustees and were implemented in 2019/20. The Board of Members regularly assesses the contribution of trustees and takes appropriate action where necessary.

Trustees show tremendous commitment to the trust, maintaining high levels of attendance at Board meetings, which have been reduced this year due to the emergence of COVID-19. The Trustees give generous amounts of their time to support other trust developments.

The trustees met 6 times during the year. The Chair meets with the CEO regularly to discuss the finances along with all other aspects of the Trust. The audit and finance committee has met five times in the year and has a similar composition to the Board. Due to the aforementioned factors the Board have maintained an appropriate level of governance.

The audit & finance committee is a sub-committee of the main board of Trustees. Its purpose is to provide assurance over the suitability of, and compliance with, its financial systems and operational controls.

ASTON COMMUNITY EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Barton (Chair)	5	5
R Dyson (Deceased 25 October 2020)	0	1
C Kinsella (Vice Chair)	5	5
A Brickles	5	5
C McGowan	3	5

Review of value for money

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

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

Resources

During the year, there has been significant investment in IT and general electrical refurbishment and repainting of classrooms and corridors. There have also been some significant capital projects such as, the creation of two brand new modern and functional library areas within our junior academies. Work has also commenced on phase one of a technology department refurbishment within one of our senior academies, as well as a complete wireless access point systems being upgraded in another. By continuing to co-ordinate such projects / purchases at trust level, we have once again benefited from significant discounts and all our academies have benefited from the programme of re-distributing resources, particularly IT, equipment and furniture.

Staffing

With the exception of WJA and the Derbyshire junior academies, numbers of pupils/students in most of our academies have remained the same or reduced due to lower birth rates in their local areas. In order that this does not result in staffing over capacity, we annually review the staffing structure in each academy, with a view to identifying any instances of over-staffing and managing possible movement within the trust where there is under capacity. Unfortunately, this year, where numbers were lower in some senior and junior academies, they did not reach levels which would allow for a reduction in the number of teachers, consequently the percentage cost of their salaries within the budget has increased. However, we will continue with these annual reviews of provision and take action where possible to ensure optimum value for money. In those junior academies where there have been significant increases in pupils numbers, we have employed strategies such as mixed year group classes, to avoid the creation of low pupil/teacher ratio groupings. Whenever a post becomes vacant, senior leaders always undertake a review of provision with HR and the principal to assess the academy's needs, again with a view to ensuring optimum value for money. The trust is also in the process of reviewing the structure of central Business Teams and having the salaries associated with each post re-assessed which has already resulted in increased value for money, without creating any staff redundancies.

Software/IT

The trust has upgraded emails systems to a cloud based alternative. The migration of more services to cloud based equivalent will ultimately mean a reduction in the amount of onsite servers and associated infrastructure required as well as increasing up-time and accessibility for users.

ASTON COMMUNITY EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The purpose of the system of internal control

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

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operative, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Strategic Finance Team and reported to the board of Trustees.

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Thorne Widgey 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. In particular the checks carried out in the current period included:

- review of cash and bank controls;
- review of procurement procedures and their implementation;
- review of Academy policies to ensure that sufficient and appropriate policies were in place;
- review of management information reports including budgets;
- review of data and IT systems ensuring they are suitably robust

On a termly basis, Thorne Widgey reports to the board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned, there are no material control issues arising as a result of the internal auditor's work.

ASTON COMMUNITY EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of effectiveness

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

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

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

Approved by order of the members of the board of Trustees on 16 December 2021 and signed on its behalf by:



J Barton
Chair

ASTON COMMUNITY EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Aston Community Education Trust, I have considered my responsibility to notify the academy 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 academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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

Eurice Newton

E Newton
Accounting Officer

16 December 2021

ASTON COMMUNITY EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Aston Community Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction issued by the Education & 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

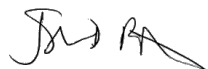
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:



J Barton
Chair

ASTON COMMUNITY EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASTON COMMUNITY EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

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

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the Academies Accounts Direction 2020 to 2021.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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 trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

ASTON COMMUNITY EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASTON COMMUNITY EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud and the audit response

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general academy sector experience and through discussion with management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

ASTON COMMUNITY EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASTON COMMUNITY EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

We have assessed the overall susceptibility of the financial statements to material misstatement due to irregularities as moderate risk due to the inherent regulatory environment and financial reporting requirements within the sector. Furthermore, increased public scrutiny due to use of public funds increases the risk around certain financial reporting disclosures. However, as a result, there are stronger financial controls around sensitive financial reporting disclosures imposed by the ESFA therefore this reduces the risk of material misstatements as a result of irregularities being undetected. The procedures performed by the audit team included:

- Communicating identified laws and regulations at planning throughout the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including the current Academies Accounts Direction.
- Review of any OFSTED reports within the period.
- Review of the Internal Scrutiny Reports delivered in the year.
- Ensuring that any findings noted as part of our work on regularity (as detailed in our Independent Reporting Accountant's Assurance Report) which indicate the possibility of irregularities and fraud, including any breaches of the Academies Financial Handbook, are also considered as part of our conclusions here.
- Review of the Accounting Officer's Statement of Regularity, Propriety and Compliance and the academy trust's Governance Statement disclosures.

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud as low risk because of the strong control environment and regulatory framework imposed on academy trusts by the ESFA. Management override is the most common way in which fraud might present itself and is therefore inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of operations, especially with related parties
- Fraudulent revenue recognition and income being recorded in the wrong period
- Presenting bias in accounting judgements and estimates, particularly the ones disclosed in note 2 to the financial statements.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of all material journal entries made throughout the year as well as those made to prepare the financial statements.
- Review of financial data for evidence of previously unidentified related party transactions that may not have been conducted in accordance with the Academies Financial Handbook.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business
- Increased substantive testing across all material income streams
- Assessing whether management's judgements and estimates indicated potential bias, particularly those disclosed in note 2 to the financial statements

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

ASTON COMMUNITY EDUCATION TRUST

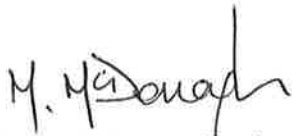
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASTON COMMUNITY EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Martin McDonagh (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP

20.12.21

Chartered Accountants
Statutory Auditor

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

ASTON COMMUNITY EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASTON COMMUNITY EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 26 September 2019 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 Aston Community Education 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 Aston Community Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Aston Community Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Aston Community Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Aston Community Education Trust's funding agreement with the Secretary of State for Education dated 29 June 2012 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 period 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 our conclusion includes:

- the review for any transactions requiring prior approval from the Secretary of State and ensuring approval has been received where required;
- confirming that the academy trust has not sought borrowings that contravene the Handbook;
- reviewing for connected party transactions and ensuring the academy has complied with the Handbook;
- reviewing committee meeting minutes for indications of irregular transactions; and
- carrying out systems and controls testing and considering the effectiveness of such controls.

ASTON COMMUNITY EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASTON COMMUNITY EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.

Hart Shaw LLP

Reporting Accountant

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Dated: *20.12.21*.....

ASTON COMMUNITY EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Endowment Fixed asset £'000	Funds £'000	Total 2021 £'000
Income and endowments from:						
Donations and capital grants	3	-	-	11,498	-	11,498
Charitable activities:						
- Funding for educational operations	5	-	32,910	-	-	32,910
Other trading activities	4	79	377	-	-	456
Investments	6	1	32	-	-	33
Total		<u>80</u>	<u>33,319</u>	<u>11,498</u>	<u>-</u>	<u>44,897</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	34,726	3,001	-	37,727
Endowment fund management fees		-	-	-	56	56
Total	7	<u>-</u>	<u>34,726</u>	<u>3,001</u>	<u>56</u>	<u>37,783</u>
Gain/(loss) on endowment investments		-	-	-	656	656
Net income/(expenditure)		<u>80</u>	<u>(1,407)</u>	<u>8,497</u>	<u>600</u>	<u>7,770</u>
Transfers between funds	20	-	115	(115)	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	27	-	(2,959)	-	-	(2,959)
Net movement in funds		<u>80</u>	<u>(4,251)</u>	<u>8,382</u>	<u>600</u>	<u>4,811</u>
Reconciliation of funds						
Total funds brought forward		<u>1,885</u>	<u>(16,914)</u>	<u>67,832</u>	<u>2,489</u>	<u>55,292</u>
Total funds carried forward		<u>1,965</u>	<u>(21,165)</u>	<u>76,214</u>	<u>3,089</u>	<u>60,103</u>

ASTON COMMUNITY EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total 2020 £'000
Income and endowments from:						
Donations and capital grants	3	-	1	1,738	-	1,739
Charitable activities:						
- Funding for educational operations	5	-	30,175	-	-	30,175
Other trading activities	4	30	395	-	-	425
Investments	6	5	55	-	-	60
Total		<u>35</u>	<u>30,626</u>	<u>1,738</u>	<u>-</u>	<u>32,399</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	31,723	2,742	-	34,465
Endowment fund management fees		-	-	-	47	47
Total	7	<u>-</u>	<u>31,723</u>	<u>2,742</u>	<u>47</u>	<u>34,512</u>
Gain/(loss) on endowment investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>(104)</u>	<u>(104)</u>
Net income/(expenditure)		35	(1,097)	(1,004)	(151)	(2,217)
Transfers between funds	20	-	98	(98)	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	27	-	(509)	-	-	(509)
Net movement in funds		35	(1,508)	(1,102)	(151)	(2,726)
Reconciliation of funds						
Total funds brought forward		<u>1,850</u>	<u>(15,406)</u>	<u>68,934</u>	<u>2,640</u>	<u>58,018</u>
Total funds carried forward		<u>1,885</u>	<u>(16,914)</u>	<u>67,832</u>	<u>2,489</u>	<u>55,292</u>

ASTON COMMUNITY EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021


	Notes	2021		2020	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		74,088		66,559
Investments	14		3,145		2,545
			<u>77,233</u>		<u>69,104</u>
Current assets					
Stocks	15	78		77	
Debtors	16	987		865	
Cash at bank and in hand		7,175		5,788	
		<u>8,240</u>		<u>6,730</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(2,412)		(2,057)	
Net current assets			5,828		4,673
Total assets less current liabilities			<u>83,061</u>		<u>73,777</u>
Creditors: amounts falling due after more than one year	18		(94)		(121)
Net assets before defined benefit pension scheme liability			<u>82,967</u>		<u>73,656</u>
Defined benefit pension scheme liability	27		(22,864)		(18,364)
Total net assets			<u>60,103</u>		<u>55,292</u>
Funds of the academy trust:					
Restricted funds	20				
- Fixed asset funds			76,214		67,832
- Restricted income funds			1,699		1,450
- Pension reserve			(22,864)		(18,364)
- Endowment funds			3,089		2,489
Total restricted funds			<u>58,138</u>		<u>53,407</u>
Unrestricted income funds	20		1,965		1,885
Total funds			<u>60,103</u>		<u>55,292</u>

ASTON COMMUNITY EDUCATION TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

The accounts on pages 35 to 65 were approved by the trustees and authorised for issue on 16 December 2021 and are signed on their behalf by:



J Barton
Chair

Company Number 07577113

ASTON COMMUNITY EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	£'000	2020 £'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	22		412		(549)
Cash flows from investing activities					
Dividends, interest and rents from investments		33		60	
Capital grants from DfE Group		1,739		1,738	
Purchase of tangible fixed assets		(770)		(803)	
		<u> </u>		<u> </u>	
Net cash provided by investing activities			1,002		995
Cash flows from financing activities					
Repayment of long term bank loan		(27)		(28)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(27)		(28)
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents in the reporting period			1,387		418
Cash and cash equivalents at beginning of the year			5,788		5,370
			<u> </u>		<u> </u>
Cash and cash equivalents at end of the year			<u>7,175</u>		<u>5,788</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Aston Community Education Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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.

1.1 Basis of preparation

The accounts 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.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donations

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

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

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are 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.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

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

Leasehold land and buildings	<1%-20% straight line
Computer equipment	33.33% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicated 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 impairment. Impairment losses are recognised in the Statement of Financial Activities.

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Investments

Fixed asset investments are stated at market value.

1.9 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. Prepayments are not financial instruments.

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

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Stock

Stock is valued at the lower of cost and net realisable value.

1.11 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.12 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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. The 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 are recognised in the period to which they relate.

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

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

1.13 Fund accounting

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

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

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Restricted general funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education & Skills Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Directors have established that there are no critical areas of judgement that have a significant effect on the amounts recognised in the financial statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Donated fixed assets	-	9,759	9,759	-
Capital grants	-	1,739	1,739	1,738
Other donations	-	-	-	1
	<hr/>	<hr/>	<hr/>	<hr/>
	-	11,498	11,498	1,739
	<hr/>	<hr/>	<hr/>	<hr/>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	57	-	57	30
Wind turbine income	22	-	22	-
External school support	-	221	221	199
Cover for teachers	-	39	39	11
Bolsover Schools Partnership income	-	117	117	185
	<u>79</u>	<u>377</u>	<u>456</u>	<u>425</u>

5 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	27,949	27,949	25,863
Other DfE/ESFA grants:				
UIFSM	-	123	123	109
Pupil premium	-	1,747	1,747	1,687
Others	-	576	576	534
	<u>-</u>	<u>30,395</u>	<u>30,395</u>	<u>28,193</u>
Other government grants				
Local authority grants	-	1,654	1,654	913
Local authority start up grants	-	-	-	175
	<u>-</u>	<u>1,654</u>	<u>1,654</u>	<u>1,088</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	410	410	-
Other DfE/ESFA COVID-19 funding	-	94	94	-
	<u>-</u>	<u>504</u>	<u>504</u>	<u>-</u>
Other incoming resources	-	357	357	894
	<u>-</u>	<u>357</u>	<u>357</u>	<u>894</u>
Total funding	<u>-</u>	<u>32,910</u>	<u>32,910</u>	<u>30,175</u>

The academy received £410,000 of funding for catch-up premium, £369,000 was spent within the year. The remaining funding of £41,000 will be spent in 2021/22.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	1	-	1	5
Other investment income	-	32	32	55
	<u>1</u>	<u>32</u>	<u>33</u>	<u>60</u>

7 Expenditure

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2021 £'000	Total 2020 £'000
Academy's educational operations					
- Direct costs	22,760	3,000	1,970	27,730	25,518
- Allocated support costs	6,061	584	3,351	9,996	8,947
	<u>28,821</u>	<u>3,584</u>	<u>5,321</u>	<u>37,726</u>	<u>34,465</u>
Other expenditure					
Endowment investment costs	-	-	56	56	47
	<u>-</u>	<u>-</u>	<u>56</u>	<u>56</u>	<u>47</u>
Total expenditure	<u>28,821</u>	<u>3,584</u>	<u>5,377</u>	<u>37,782</u>	<u>34,512</u>

Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	20	20
- Accounts	20	28
- Internal audit	-	12
Operating lease rentals	5	7
Depreciation of tangible fixed assets	3,000	2,742
	<u>3,045</u>	<u>2,789</u>

8 Charitable activities

	2021 £'000	2020 £'000
All from restricted funds:		
Direct costs - educational operations	27,730	25,518
Support costs - educational operations	9,996	8,947
	<u>37,726</u>	<u>34,465</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities		(Continued)	
		2021	2020
		£'000	£'000
Analysis of support costs			
Support staff costs		6,061	5,481
Premises costs		1,911	1,709
Other support costs		1,966	1,705
Governance costs		58	52
		<u>9,996</u>	<u>8,947</u>
		<u><u>9,996</u></u>	<u><u>8,947</u></u>
9 Staff			
Staff costs			
Staff costs during the year were:			
		2021	2020
		£'000	£'000
Wages and salaries		20,278	18,231
Social security costs		1,939	1,811
Pension costs		5,860	5,216
		<u>28,077</u>	<u>25,258</u>
Staff costs - employees		28,077	25,258
Agency staff costs		585	626
Staff restructuring costs		-	6
		<u>28,662</u>	<u>25,890</u>
Staff development and other staff costs		159	135
		<u>28,821</u>	<u>26,025</u>
		<u><u>28,821</u></u>	<u><u>26,025</u></u>
Staff restructuring costs comprise:			
Redundancy payments		-	2
Severance payments		-	4
		<u>-</u>	<u>6</u>
		<u><u>-</u></u>	<u><u>6</u></u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

(Continued)

Staff numbers

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

	2021 Number	2020 Number
Teachers	333	299
Administration and support	455	452
Management	18	18
	<u>806</u>	<u>769</u>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	14	13
£70,001 - £80,000	7	6
£80,001 - £90,000	1	1
£90,001 - £100,000	2	2
£100,001 - £110,000	1	2
£160,001 - £170,000	1	1
	<u>1</u>	<u>1</u>

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 employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,829,000 (2020 - £1,907,000).

10 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services; and
- others as arising.

The provision of central services is provided by Aston Community Education Trust (ACET). ACET charges a flat rate of 5% of government income. Should any further services be required, the Trust will charge a flat rate for these services.

Some individual schools within the trust have been under financial strain and therefore a reduced or nil top slice has been charged.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Central services

(Continued)

The amounts charged during the year were as follows:	2021 £'000	2020 £'000
Aston Academy	439	385
Thurcroft Junior Academy	54	48
Lowedges Junior Academy	72	65
Springwood Junior Academy	40	15
Aughton Junior Academy	-	41
Swinton Academy	245	226
Shirebrook Academy	240	224
Temple Normanton Junior Academy	30	30
Listerdale Junior Academy	29	22
Brookfield Junior Academy	48	45
Langwith Bassett Junior Academy	30	30
Waverley Junior Academy	20	-
	<u>1,247</u>	<u>1,131</u>

11 Trustees' remuneration and expenses

No trustees were remunerated or refunded expenses during the year (2020 - £nil).

12 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 Directors 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 Directors' and Officers' indemnity element from the overall cost of the RPA scheme.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Leasehold land and buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 September 2020	77,121	2,067	1,488	146	80,822
Additions	9,740	716	73	-	10,529
At 31 August 2021	86,861	2,783	1,561	146	91,351
Depreciation					
At 1 September 2020	11,602	1,854	701	106	14,263
Charge for the year	2,577	288	125	10	3,000
At 31 August 2021	14,179	2,142	826	116	17,263
Net book value					
At 31 August 2021	72,682	641	735	30	74,088
At 31 August 2020	65,519	213	787	40	66,559

14 Fixed asset investments

	£'000
Market value	
At 1 September 2020	2,545
Management charges paid to fund manager	(56)
Change in value of investments in the year	656
At 31 August 2021	3,145
Historical cost:	
At 31 August 2021	2,055
At 31 August 2020	2,055

Investments held are primarily in respect of an endowment fund acquired by the trust on the transfer of Shirebrook Academy in the year to 31 August 2017. The endowment fund is held for the benefit of the students and local community of Shirebrook Academy. All dividends received are paid directly to Shirebrook Academy, whose governors administer the distribution of the funds whilst adhering to the Deed entered into by the Secretary of State of Education and Allroads (the former sponsor of Shirebrook Academy); and the subsequent Deed of transfer to Aston Community Education Trust.

On 20 September 2021 the investments held within the endowment fund were disposed of for a value of £3,047,500. See note 29 for further detail.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Stocks

	2021 £'000	2020 £'000
School uniform	46	49
Stationery and books	32	28
	<u>78</u>	<u>77</u>

16 Debtors

	2021 £'000	2020 £'000
Trade debtors	83	166
VAT recoverable	121	165
Prepayments and accrued income	783	534
	<u>987</u>	<u>865</u>

17 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Government loans	28	28
Trade creditors	478	564
Other taxation and social security	478	426
Other creditors	488	441
Accruals and deferred income	940	598
	<u>2,412</u>	<u>2,057</u>

Included within government loans is the portion of the long term SALIX loan which falls due within the following year. The terms of the loan have been discussed in more detail in note 18.

18 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Government loans	<u>94</u>	<u>121</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Creditors: amounts falling due after more than one year	(Continued)	
Analysis of loans	2021 £'000	2020 £'000
Not wholly repayable within five years by instalments	33	149
Wholly repayable within five years	89	-
	<u>122</u>	<u>149</u>
Less: included in current liabilities	(28)	(28)
Amounts included above	<u>94</u>	<u>121</u>
Loan maturity		
Debt due in one year or less	28	28
Due in more than one year but not more than two years	28	28
Due in more than two years but not more than five years	63	77
Due in more than five years	3	16
	<u>122</u>	<u>149</u>

Included within government loans is the long term portion of the following loans from SALIX, a not for profit organisation funded by The Department for Energy and Climate Change.

Aston Academy received a loan as part of the Academies Capital Maintenance grant. The loan is an interest free loan which was originally scheduled for repayments to commence on 1 March 2015, however due to delays in the project the loan repayments did not commence until 1 March 2017. Repayments of £6,783 will be made twice a year for 8 years until the loan is fully repaid.

Thurcroft Junior Academy received a loan as part of the Condition Improvement Funding grant. The loan is an interest free loan with repayments scheduled to commence on 1 March 2017, however, due to delays in the project, these are not due to commence until 1 March 2018. Repayments of £2,502 will be made twice a year for 8 years until the loan is fully repaid.

Lowedges Junior Academy received a loan as part of the Condition Improvement Funding grant. The loan is an interest free loan with repayments scheduled to commence on 1 March 2017, however, due to delays in the project, these are not due to commence until 1 March 2018. Repayments of £1,640 will be made twice a year for 8 years until the loan is fully repaid.

Aston Academy, Thurcroft Junior academy, Springwood Junior Academy, Aughton Junior Academy, Swinton Academy, and Listerdale Junior Academy each received loans of £8,000 as part of the Condition Improvement Funding grant. The loans are interest free loans with repayments set to commence on 1 September 2019. Repayments of £500 per academy will be made twice a year for 8 years until the loans are fully repaid.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Deferred income	2021	2020
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	523	315
	<u> </u>	<u> </u>
Deferred income at 1 September 2020	315	267
Released from previous years	(315)	(267)
Amounts deferred in the year	523	315
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	523	315
	<u> </u>	<u> </u>

At the balance sheet date, the Academy Trust was holding in advance £71,000 rates relief, £110,000 of universal infant free school meals funding, £17,000 of local authority early years funding, £5,000 of other local authority funding, £11,000 of funding for the Rural Gigabit Connectivity Programme, £22,000 of funding for the Bolsover School Partnership, £125,000 growth funding for Waverley Junior Academy, £9,000 of SLA funding for opening school facilities and £153,000 of trip income relating to 2021/22.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	1,251	27,949	(27,879)	115	1,436
Other DfE / ESFA grants	-	2,446	(2,446)	-	-
Other government grants	-	2,158	(2,117)	-	41
Other restricted funds	199	766	(743)	-	222
	<u>1,450</u>	<u>33,319</u>	<u>(33,185)</u>	<u>115</u>	<u>1,699</u>
Funds excluding pensions	1,450	33,319	(33,185)	115	1,699
Pension reserve	(18,364)	-	(1,541)	(2,959)	(22,864)
	<u>(16,914)</u>	<u>33,319</u>	<u>(34,726)</u>	<u>(2,844)</u>	<u>(21,165)</u>
Restricted fixed asset funds					
Inherited on conversion	56,642	-	(2,219)	-	54,423
DfE group capital grants	9,923	1,739	(390)	(288)	10,984
Capital expenditure from GAG	1,186	-	(134)	173	1,225
Free school premises donated	-	9,420	(188)	-	9,232
DfE donated equipment	-	338	(67)	-	271
Private sector capital sponsorship	81	1	(3)	-	79
	<u>67,832</u>	<u>11,498</u>	<u>(3,001)</u>	<u>(115)</u>	<u>76,214</u>
Restricted endowment fund	<u>2,489</u>	<u>-</u>	<u>(56)</u>	<u>656</u>	<u>3,089</u>
Total restricted funds	<u>53,407</u>	<u>44,817</u>	<u>(37,783)</u>	<u>(2,303)</u>	<u>58,138</u>
Unrestricted funds					
General funds	<u>1,885</u>	<u>80</u>	<u>-</u>	<u>-</u>	<u>1,965</u>
Total funds	<u>55,292</u>	<u>44,897</u>	<u>(37,783)</u>	<u>(2,303)</u>	<u>60,103</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

(Continued)

General Annual Grant

The General Annual Grant (GAG) fund has been spent in line with the terms of the Master Funding Agreement. Under this funding agreement, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward.

Other DfE/EFA grants

This includes the Pupil Premium funding, School Direct funding and the Universal Infant Free School Meals grant.

The Pupil Premium is additional funding given to academies so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

The School Direct funding is grants received to support teacher training.

The Universal Infant Free School Meals grant is for the provision of free school meals for infant pupils.

Other government grants

This includes Mass Testing Grant, catch-up premium, nursery funding and Pupil Premium funding for Looked After Children, both received from the Local Authority.

The Mass Testing Grant is funding to support the rapid coronavirus testing of staff and pupils. The purpose of this was to identify asymptomatic cases of Covid-19.

The catch-up premium funding was made to help children and young people to catch up on missed learning caused by coronavirus.

The nursery funding is for the nursery provision across the Trust.

The Pupil Premium funding for Looked After Children is a specific grant to support each Looked After Child within the academy trust's care.

Other restricted funds

Other restricted funds includes income for hire of facilities, money collected for trips, tuck shops and other educational trading activities which is directly for the benefit of the pupils within the Trust.

The restricted pension fund is in deficit to the value of £22,864,000 (2020 - £18,364,000) as at 31 August 2021. However a significant portion of this deficit was inherited upon conversion to Academy status. The Directors will continue to monitor this situation closely.

Restricted fixed asset fund

The restricted fixed asset fund consists of fixed assets transferred from the local authority on conversion to academy trust, fixed assets obtained through ESFA capital grant expenditure and fixed assets purchased from GAG / other funding.

A total of £288,000 (2020 - £112,000) has been transferred from the restricted fixed asset fund to restricted funds to cover the cost of capital work which did not meet the recognition criteria to be classified as an asset.

A total of £173,000 (2020 - £14,000) has been transferred from restricted funds to the restricted fixed asset fund for the purchase of assets from revenue grant funding, as permitted by the Academies Accounts Direction.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

(Continued)

Unrestricted funds

The unrestricted funds represent funds available to the trustees to apply for the general purpose of the academy trust.

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	785	25,863	(25,789)	392	1,251
Start up grants	25	-	(25)	-	-
Other DfE / ESFA grants	-	2,330	(2,330)	-	-
Other government grants	-	1,088	(1,088)	-	-
Building maintenance fund	294	-	-	(294)	-
Other restricted funds	161	1,345	(1,307)	-	199
Pension reserve	(16,671)	-	(1,184)	(509)	(18,364)
	<u>(15,406)</u>	<u>30,626</u>	<u>(31,723)</u>	<u>(411)</u>	<u>(16,914)</u>
Restricted fixed asset funds					
Transfer on conversion	58,950	-	(2,308)	-	56,642
DfE group capital grants	8,569	1,738	(272)	(112)	9,923
Capital expenditure from GAG	1,333	-	(161)	14	1,186
Private sector capital sponsorship	82	-	(1)	-	81
	<u>68,934</u>	<u>1,738</u>	<u>(2,742)</u>	<u>(98)</u>	<u>67,832</u>
Restricted endowment fund	<u>2,640</u>	<u>-</u>	<u>(47)</u>	<u>(104)</u>	<u>2,489</u>
Total restricted funds	<u>56,168</u>	<u>32,364</u>	<u>(34,512)</u>	<u>(613)</u>	<u>53,407</u>
Unrestricted funds					
General funds	<u>1,850</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>1,885</u>
Total funds	<u>58,018</u>	<u>32,399</u>	<u>(34,512)</u>	<u>(613)</u>	<u>55,292</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

(Continued)

Total funds analysis by academy

	2021	2020
	£'000	£'000
Fund balances at 31 August 2021 were allocated as follows:		
Aston Academy	848	756
Thurcroft Junior Academy	405	281
Lowedges Junior Academy	389	319
Springwood Junior Academy	(265)	(195)
Aughton Junior Academy	102	101
Swinton Academy	(147)	(2)
Shirebrook Academy	1,000	907
Temple Normanton Junior Academy	182	171
Listerdale Junior Academy	(177)	(205)
Brookfield Junior Academy	26	5
Langwith Bassett Junior Academy	110	109
Waverley Junior Academy	68	116
Central services	1,123	972
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	3,664	3,335
Endowment Fund	3,089	2,489
Restricted fixed asset fund	76,214	67,832
Pension reserve	(22,864)	(18,364)
	<hr/>	<hr/>
Total funds	60,103	55,292
	<hr/> <hr/>	<hr/> <hr/>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation & endowment fund costs	Total 2021
	£'000	£'000	£'000	£'000	£'000
Aston Academy	6,688	1,679	437	1,012	9,816
Thurcroft Junior Academy	835	151	52	280	1,318
Lowedges Junior Academy	1,414	261	47	270	1,992
Springwood Junior Academy	808	236	34	224	1,302
Aughton Junior Academy	632	186	33	194	1,045
Swinton Academy	3,891	1,227	226	680	6,024
Shirebrook Academy	3,817	1,293	286	664	6,060
Temple Normanton Junior Academy	336	104	19	95	554
Listerdale Junior Academy	1,083	197	40	238	1,558
Brookfield Junior Academy	849	242	35	202	1,328
Langwith Bassett Junior Academy	456	94	19	137	706
Waverley Junior Academy	1,102	202	93	252	1,649
Central services	849	189	41	294	1,373
	<u>22,760</u>	<u>6,061</u>	<u>1,362</u>	<u>4,542</u>	<u>34,725</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

(Continued)

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation & endowment fund costs	Total 2020
	£'000	£'000	£'000	£'000	£'000
Aston Academy	6,402	1,479	425	1,153	9,459
Thurcroft Junior Academy	778	173	59	245	1,255
Lowedges Junior Academy	1,171	230	69	281	1,751
Springwood Junior Academy	797	242	27	237	1,303
Aughton Junior Academy	610	160	68	158	996
Swinton Academy	3,513	1,159	145	540	5,357
Shirebrook Academy	3,732	1,225	284	951	6,192
Temple Normanton Junior Academy	294	93	14	85	486
Listerdale Junior Academy	1,063	170	33	285	1,551
Brookfield Junior Academy	846	232	37	161	1,276
Langwith Bassett Junior Academy	437	94	20	129	680
Waverley Junior Academy	17	-	39	2	58
Central services	884	224	21	233	1,362
	<u>20,544</u>	<u>5,481</u>	<u>1,241</u>	<u>4,460</u>	<u>31,726</u>

21 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	-	74,088	-	74,088
Fixed asset investments	-	56	-	3,089	3,145
Current assets	1,965	4,027	2,248	-	8,240
Creditors falling due within one year	-	(2,384)	(28)	-	(2,412)
Creditors falling due after one year	-	-	(94)	-	(94)
Defined benefit pension liability	-	(22,864)	-	-	(22,864)
Total net assets	<u>1,965</u>	<u>(21,165)</u>	<u>76,214</u>	<u>3,089</u>	<u>60,103</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	-	-	66,559	-	66,559
Fixed asset investments	-	56	-	2,489	2,545
Current assets	1,885	3,423	1,422	-	6,730
Creditors falling due within one year	-	(2,029)	(28)	-	(2,057)
Creditors falling due after one year	-	-	(121)	-	(121)
Defined benefit pension liability	-	(18,364)	-	-	(18,364)
Total net assets	<u>1,885</u>	<u>(16,914)</u>	<u>67,832</u>	<u>2,489</u>	<u>55,292</u>

22 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	7,770	(2,217)
Adjusted for:		
Capital grants from DfE and other capital income	(11,498)	(1,738)
Net endowment income	(600)	151
Investment income receivable	(33)	(60)
Defined benefit pension costs less contributions payable	1,214	888
Defined benefit pension scheme finance cost	327	296
Depreciation of tangible fixed assets	3,000	2,742
(Increase) in stocks	(1)	(29)
(Increase) in debtors	(122)	(32)
Increase/(decrease) in creditors	355	(550)
Net cash provided by/(used in) operating activities	<u>412</u>	<u>(549)</u>

23 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	5,788	1,387	7,175
Loans falling due within one year	(28)	-	(28)
Loans falling due after more than one year	(121)	27	(94)
	<u>5,639</u>	<u>1,414</u>	<u>7,053</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

24 Long-term commitments, including operating leases

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

	2021 £'000	2020 £'000
Amounts due within one year	8	5
Amounts due in two and five years	19	7
	<u>27</u>	<u>12</u>

The annual charge is shown within operating lease rentals in note 7 of the accounts.

25 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the accounts	692,580	-

26 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place.

27 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 are managed by Mercer and Hymans Robertson. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £488,000 were payable to the schemes at 31 August 2021 (2020: £441,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2019. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2016 determined an employer rate of 23.6%, which was payable from September 2019.

The employer's pension costs paid to the TPS in the period amounted to £3,072,000 (2020: £2,811,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.1 to 24.8% for employers contributions.

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

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations (Continued)

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	1,574	1,519
Employees' contributions	400	345
	<u> </u>	<u> </u>
Total contributions	1,974	1,864
	<u> </u>	<u> </u>
Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.95	3.42
Rate of increase for pensions in payment/inflation	2.90	2.36
Discount rate for scheme liabilities	1.69	1.78
Inflation assumption (CPI)	2.82	2.28
	<u> </u>	<u> </u>

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

	2021 Years	2020 Years
Retiring today		
- Males	22.2	22.8
- Females	24.9	25.5
Retiring in 20 years		
- Males	23.6	24.8
- Females	26.8	27.7
	<u> </u>	<u> </u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021	2020
Discount rate + 0.1%	(959)	(748)
Discount rate - 0.1%	980	761
Mortality assumption + 1 year	1,432	888
Mortality assumption - 1 year	(1,389)	(866)
CPI rate + 0.1%	954	738
CPI rate - 0.1%	(934)	(724)
	<u> </u>	<u> </u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	10,613	7,783
Government bonds	3,231	2,549
Other bonds	1,167	1,030
Cash/liquidity	387	674
Property	1,677	1,272
Other assets	3,280	2,001
Total market value of assets	<u>20,355</u>	<u>15,309</u>

The actual return on scheme assets was £2,955,000 (2020: £36,000).

Amount recognised in the Statement of Financial Activities	2021 £'000	2020 £'000
Current service cost	2,763	2,384
Past service cost	-	1
Interest income	(295)	(265)
Interest cost	622	561
Administration costs	25	22
Total operating charge	<u>3,115</u>	<u>2,703</u>

Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	33,672	30,378
Obligations acquired on set-up of free school	853	-
Current service cost	2,763	2,384
Interest cost	622	561
Employee contributions	400	345
Actuarial loss	5,209	280
Benefits paid	(300)	(276)
Past service cost	-	1
At 31 August 2021	<u>43,219</u>	<u>33,673</u>

ASTON COMMUNITY EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2021 £'000	2020 £'000
At 1 September 2020	15,309	13,707
Assets acquired on set-up of free school	443	-
Interest income	295	265
Actuarial gain/(loss)	2,660	(229)
Employer contributions	1,574	1,519
Employee contributions	400	345
Benefits paid	(300)	(276)
Administration costs	(26)	(22)
	<u>20,355</u>	<u>15,309</u>

28 Members' liability

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

29 Post balance sheet events

The Trustees advised St James's Place Wealth Management of their intention to close the endowment fund's investment portfolio. On 8 September 2021 the Trustees' instructed this action to be carried out, with all investments being sold on 20 September 2021 for a total consideration of £3,047,500. The trustees have subsequently instructed Niche Wealth Management to re-invest the funds.