THE ASHLEY SCHOOL ACADEMY TRUST

(A company limited by guarantee)

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Company Registration Number: 07729412 (England and Wales)
Registered office: Ashley Downs, Lowestoft, Suffolk, NR32 4EU

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr S Oxenham	(Chair)
	Mrs K Hester	
	Mrs C Edwards	
Trustees	Mr D G Gowen*	(Chairman)
	Mr M H Lott*	(Vice Chairman)
	Ms S Garrett*	(Headteacher and Accounting Officer)
	Mrs L Burton	(Teacher Trustee)
	Mr G Evans	
	Miss A Howlett	
	Mrs S Lofthouse*	
	Mr T McKie*	(Parent Trustee, Nominated Trustee)
	Mr D Payne	(Parent Trustee)
	Mrs D Sibbald	(Staff Trustee, resigned work post 10.09.2021)
	Miss T Yates	(Resigned 18.12.2020)

* members of the Leadership and Management Committee

Company Secretary	Ms D L Petty	
Senior Leadership Team	Ms S Garrett	(Headteacher)
	Mr A Wright	(Deputy Headteacher – Teaching and Learning)
	Mr T Ward	(Deputy Headteacher – Behaviour 4 Learning)
	Mr M Kemp	(Strategic Business Manager, Resigned 08.09.2020)
	Mr P Collins	(Strategic Business Manager, Appointed 09.09.2020)
Company name	The Ashley School Academy Trust	
Principal and Registered Office	Ashley Downs Lowestoft Suffolk, NR32 4EU	
Company registration number	07729412 (England and Wales)	
Independent Auditor	Lovewell Blake LLP Chartered Accountants & Statutory Auditor Bankside 300 Peachman Way Broadland Business Park Norwich, NR7 0LB	
Bankers	Lloyds TSB Bank plc 16 Gentleman’s Walk Norwich Norfolk, NR2 1LZ	

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Solicitors	Browne, Jacobson LLP Mowbray House Castle Meadow Road Nottingham, NG2 1BJ

Directors of Ashley School Trading Ltd

Mr L Chapman	(Director)
Mr R Dell	(Co-opted, Director) (resigned 23.08.2021)
Ms S Garrett	(Director)
Mr D G Gowen	(Director)
Mr M H Lott	(Director, Chair)

REPORT OF THE TRUSTEES (including Strategic Report) for the year ended 31 August 2021

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

The Ashley School Academy Trust operates an academy, a day and residential special school that provides for pupils aged 7 to 16 years (National Curriculum years 3 to 11). Its core service is to provide high quality specialist education to pupils with complex, moderate learning difficulties many with associated disabilities such as speech and language, autism, social, emotional and mental health. All pupils have an Education, Health & Care Plan (EHCP). It has a pupil capacity of 140 and had a roll of 141 in the school census in January 2021.

Structure, Governance and Management

Constitution

The Ashley School 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 The Ashley School Academy Trust are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as The Ashley School Academy Trust.

Details of the Trustees who served throughout the year and to the date these accounts are approved, are included in the Reference and Administrative information on page 3.

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

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

Method of Recruitment and Appointment or Election of Trustees

The Board has a range of expertise, knowledge and skills and when recruiting Trustees, looks at different skills and knowledge across the board. Vacancies are advertised in the Academy's newsletter and through parents responses at annual reviews, approaching any parents who might express an interest in becoming a Trustee, asking any outgoing Trustee for recommended nominations in order to retain the high quality of skills and expertise, and contactable websites where databases of skilled volunteers are held, including SGOSS (Governors for Schools), Academy Ambassadors and Inspiring Governance.

The term of office for any Trustee shall be four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected, again for a term of four years.

The Board and Headteacher believe that it is essential for all new Trustees to receive a comprehensive induction pack covering a broad range of issues, topics and policies. There is a commitment to ensure that the new Trustees are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of members.

Structure, Governance and Management (continued)

On-going skills audit and training offer, e.g. Learning Walks, Safeguarding and Standard 20 visits, Ofsted framework, MATs (Multi-Academy Trusts), Assessment Framework and Induction Programme through Governor Services, Governor Hub and/or The Key Online.

Policies and Procedures Adopted for the Induction and Training of Trustees

All new Trustees will be provided with an Induction Pack and invited to visit the academy trust to meet staff and pupils and to discuss the ethos and working practices of the Trust.

At the beginning of the Academic Year, all Trustees are given access to online training and relevant training, courses are booked by the Clerk. Trustees are informed of training by the Clerk on a termly basis. A record of all training is kept by the Clerk.

Throughout the year, Trustees are invited to attend Committee Meetings, other than their own Committee to gain more knowledge and expertise across the whole Academy Trust. This year, Trustees have continued to investigate Academy growth, applied and were awarded sponsorship. The Trustees and SLT continue to work together with the local authority around growth provision in North Suffolk, the Local Authority commissioned a further 24 places at the top end of KS2 and the lower end of KS3. Extension and building work are almost finished and we have capacity of 164 pupils. Currently on roll is 151 pupils and in-year referrals for places continue on a weekly basis. We are confident that the school will be at capacity during the 2021/2022 academic year.

Organisational Structure

At The Ashley School Academy Trust the organisational structure consists of the Trustees including the Headteacher, the two Deputy Headteachers, Strategic Business Manager and the wider Extended Leadership Team (XLT).

The Members' role is to approve the strategic direction of the Academy. The Board's role is to ensure financial management and objectives of the Academy Trust are met and regularly monitor the progress towards these objectives and monitor the budget. In order for this to be carried out effectively, the Trust have appointed its Trustees to certain Committees.

The Board consists of four Committees: The Executive Committee (Chairs of all Committees); The Leadership and Management Committee (which carries out Audit Function); The Pupil Achievement/Outcomes Committee and The Personal Development, Behaviour and Welfare Committee.

Related Parties and other Connected Charities and Organisations

The Academy Trust has no direct links or related party relationships to other, external organisations.

However, the nature of our work does result in our close working with many other schools through our East Coast Hub (Challenge Partners); SSAT and also through our designation as a National Support School (NSS). Wider collaboration is undertaken through wider school partnerships at all levels with local schools, and as part of Teaching School Alliance.

We will also:

- Continue to explore further opportunities for more effective multi-agency partnership working resulting in informed, focussed outcomes;
- Explore opportunities for greater involvement in local Teaching School Hub(s);
- Continue to develop our collaborative and enhanced partnership with East Coast College improving transition and outcomes for SEND pupils at TASAT and beyond.

Structure, Governance and Management (continued)

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The rules for determining the pay of Senior Leadership Team (for the purposes of this definition this includes the Headteacher, Deputy Headteachers and Strategic Business Manager who sit on SLT) are set out in the Schools Pay Policy, which is reviewed annually in line with the School Teacher's Pay and Conditions Document (STPCD).

For September 2021, the Trustees changed the leadership range (in line with the STPCD) in recognition of growth and additional responsibilities. The Trustees authorised a different TLR pay range to accommodate an Assistant Key Stage Lead and this was approved by the Union Representatives. The Pay Policy reflects the changes made and this has been approved by the Leadership and Management Committee Team and ratified by the Board of Trustees.

Trade Union Facility Time

Information, as it applies to the academy trust, is included below to satisfy requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 for the period from 1 April 2020 to 31 March 2021 (the relevant period).

The Trust provided no time in respect of trade union facilities time during the period.
However, a contribution of £242 was made to Suffolk County Council Trade Union Facilities Time "central pot".

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

First Column	**Figures**
Provide the total cost of facility time	**£242** (Contribution to Suffolk County Council "Central pot")
Provide the total pay bill	**£2,407,372**
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	**0.01%**

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) x 100	**NIL**

Objectives and Activities

Objects and Aims

The object and aims of The Ashley School Academy Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school specially organised to make special educational provision for pupils with Special Educational Needs.

The Ashley School Academy Trust main objectives are summarised as follows:

- to provide value for money for the funds expended,
- to ensure that the Academy is suitably staffed,
- to comply with statutory and curriculum requirements.

Objectives, Strategies and Activities

During 2020/2021 the Academy Trust focussed on the following:

- Leadership and Management to promote and embed 'OUTSTANDING' Leadership and Management including:
    - Implementing and maintaining TASAT 'Recovery Curriculum'
    - Communicate success to build upon on-going challenges and areas for development to all staff;
    - Ensure the development to practices set out in all of the SD & IP action plans are embedded effectively across the school and lead to the intended outcomes for learners;
    - Further develop the information provided to the Board, emphasising the outcomes for learners in the key areas of the SD & IP (Key Reporting Indicators);
    - Safeguarding Self-Review Audit and Action Plan;
    - Maintain Outstanding Quality of Education;
    - Behaviour 4 Learning;
    - Further develop robust electronic management systems to improve the access to and informed use of data at all levels;
    - Review the questionnaires used annually to gather the views of pupils, parents/carers and staff from partner agencies;
    - Review the SLAs with the LA including future budget models re. Outreach provision and Residential provision;
    - Continue to be an active World Class School;
    - Further develop at all levels of leadership, including Trustees, the effective use of good and accurate self-review which informs priorities for development and the rigorous implementation of focused improvement plans. In addition, taking account of the new Ofsted framework;
    - Deliver, in line with the Code of Practice, 0-25 EHC assessments, plans and reviews (Pupil centred), Local Offer and Personal Budgets.

Objectives, Strategies and Activities (continued)

- Personal Development, Behaviour & Welfare:
  - Analyse behaviour data to continue to improve systems;
  - Development of a common language (scripts) with learners regarding behaviour and choices;
  - Embed behaviour 4 learning policy and practice;
  - Review and further develop the de-escalation responses with learners;
  - Further develop our anti-bullying practice in line with the outcomes of the supported self-review;
  - Further develop Online-Safety understanding, knowledge and policy for staff, pupils and working with parents/carers;
  - Further safer recruitment training for leaders;
  - Review information for parents/carers to ensure understanding of safeguarding/online-safety etc;
  - Embed and review both the effective use of the Collaborative Problem-Solving Approach (CPSA) and APP for SEAL (Social and Emotional Aspects of Learning);
  - Train and develop staff therapeutic skills to support complex pupil needs.
  - Embed and maintain Trauma Informed Approaches (8 Staff trained as TI Practitioners 2019/2020); and work towards becoming an accredited Trauma Informed School
  - Explore effective ‘supervision models’ for all staff and work towards the ‘Supervision in Education Award’

- Outreach:
  - The Ashley School Academy Trust is a partner delivering Outreach Services in North Suffolk.
  - The Special Educational Needs and Disabilities Academy Trust (SENDAT) successfully won the tender on 1 January 2016 for 3 years to provide an Outreach Service to mainstream schools in Suffolk. This was again further extended until August 2021. Outreach went through TUPE in the Spring/Summer Term 2021 with Suffolk County Council. One staff member went through TUPE, the other 3 secured different/promoted posts within TASAT.

- Residence:
  - Provision is externally evaluated against the National Minimum Standards and Ofsted (last inspection January 2020) graded Outstanding. We have not had an Ofsted inspection this academic year but we are expecting one any time.
  - Priorities in Residence remain focussed on attendance, engagement, SEAL, independence and reading (Residence Impact Data);
  - New initiatives further developing work through Elklan, Trauma Informed Schools, Attention Autism, Duke of Edinburgh Award and through volunteering accreditation;
  - Continued work with SCC LA regarding both the funding and commissioning of Residence;
  - Continued focus on both maintaining and developing the buildings/facilities.

Objectives, Strategies and Activities (continued)

- Pupil Achievement and Outcomes:
  - We continue to challenge ourselves to provide Outstanding outcomes for pupils;
  - Implementing and maintaining TASAT 'Recovery Curriculum'
  - We have had annual Quality Assurance Reviews through Challenge Partners and/or accessed alternative programmes e.g. Growing the Top.
  - Continue to be an active World Class School;
  - Continued CPD to ensure staff have the skills to meet our pupils' needs e.g. Attention Autism principles; use of SLCN models;
  - Embed a phonics led reading skills programme;
  - Centre of Excellence Social Skills (Alex Kelly Ltd);
  - Parental engagement developed further with more parents attending reviews, meetings and social events;
  - Building on the achievement of our Families First accreditation;
  - Further develop teaching strategies/skills that provide inspiring opportunities that challenge pupils consistently across the school.
  - Further developing 'Quality of Education' for all our pupils, using 'Deep Dive' methodology
  - Embedded use of data to inform planning and interventions;
  - Embedded informed marking policy;
  - Embedded Ofsted outcomes – creative writing and phonics; impact of extended learning/homework;

Public Benefit

The key public benefit delivered by The Ashley School Academy Trust is to advance, for the public benefit, education in particular by establishing, maintaining, managing and developing an Academy Trust specially organised to make special educational provision for pupils with Special Educational Needs & Disabilities (SEND) and to hire out to the public the swimming pool and gym and also collaborative, partnership working with other schools.

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit.

Strategic Report

Achievements and Performance (including Key Performance Indicators)

Outcomes for Pupils 2021:

Results Summary

OCR English	0	6	8	5	19	100.00%
OCR Maths	0	6	6	7	19	100.00%
AQA Science	0	4	7	9	20	100.00%
OCR Art (OPTION)	0	0	0	1	1	100.00%
AQA PSD	0	5	11	0	16	100.00%
OCR ICT FS	0	8	5	6	19	100.00%
OCR Life & Living Skills	0	4	0	7	11	100.00%

City and Guilds	U / X	Units	E2	E3	Total	% E1+	% E2+
C&G Skills for working life	0		5	14	19		100.00%
C&G Planning for Life and Work	0		0	6	6		100.00%

	U/X	E1	E2	E3	Total	Avg. No. of UAS
DT Unit Awards	0	19	0	0	19	3

GCSE Equivalencies (Level 1 & Level 2)	U/X	L1	L2	Total	% L1 +
Sports Leaders UK Sports leadership	0	1	1	2	100.00%
Trinity Arts Award	0	2	0	2	100.00%
IMI Professional Valeting and Detailing	0	3	0	3	100.00%

Cohort Size	20

Qualification Overview	No.	%	
At least 1+ ELQ	20	100.00%	
At Least 5+ ELQ with En & Ma	18	90.00%	95% (accepting OCR L=L Communication)
At least 1+ Level 1 qualification	8	40.00%	

OCR Art	0	0	0	0	0	0	0	0	0	0	0	
AQA Biology	0	0	1	1	0	1	0	0	0	0	3	100.00%
AQA Maths	0	0	0	0	0	1	0	0	0	0	1	100.00%
AQA English	0	0	0	0	1	1	0	0	0	0	2	100.00%

Results Analysis - Headlines

- 100% of pupils achieved at least one Entry Level Qualification.
- 100% of pupils achieved both Entry level English and Maths.
- 95% of pupils achieved 5 Entry Level passes.
- 95% of pupils achieved 5 Entry Level passes including English and Maths.
- 40% of pupils achieved at least one level 1 or equivalent qualification (D-G).

The “Ashley Gold Standard” based upon the established mainstream model of 5 Good Passes in GCSE including English and maths and have been modified to include entry level and vocational qualifications. We are aware of the longer-term implications of Entry level qualifications but we still feel that they add value to pupil achievement and progress. As a result, we expect all pupils to have the opportunity to achieve 5 ELQs. Our TASAT Bacc looks at pupils achieving English, Mathematics, Science, ICT, Vocational and their ‘Option’.

Covid-19

The Ashley School Academy Trust re-opened after the lockdown period over Christmas 2020 with many pupils attending face2face. During the Spring term pupils were offered an effective ‘blended offer’ in school and online. Parents and pupils all reported favourably on their offer re ease of access and appropriateness for their ‘age & stage’. The school carried out regular lateral flow device tests for those who gave consent. All pupils then returned in March 2021.

Achievements and Performance (including Key Performance Indicators) (continued)

The school opened fully to all pupils on 3rd September 2021, attendance during autumn 1 is **92.1%.** Leaders have worked extremely hard with staff, families and pupils in preparation and with a **'Recovery Curriculum'** focus; as a result, pupils are happy, settled and accessing the breadth of the curriculum.

"In light of the coronavirus, pupil progress data is unavailable for the both the 2020 and 2021 cohort. Where appropriate, we will refer to pupil achievement and outcomes for both cohorts but in line with DfE guidance, we are unable to comment accurately on pupil progress data over this period.

As part of the recovery curriculum, we recognise the impact that time away from school has had on progress. Whilst there has been considerable effort with home learning, the principle aim of the coming year will be on the recovery curriculum and our recovery priorities. We will base assessments on realistic judgements of pupil ability, even if this means the pupil attainment is lower initially as routines are established and relationships are rebuilt. This will be reviewed over the course of the year."

Throughout covid-19 partial opening and in line with Government guidelines over the non-term time periods, free school meal vouchers were ordered and downloaded for those pupils entitled to a free school meal. These were sent out by first class post to parents/carers.

Going Concern

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

Financial review

Most of the Academy's income is obtained from the Department of Education via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the Education and Skills Funding Agency (ESFA) during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2021, total expenditure of £3,582,763 (2020: £3,244,967) was covered by recurrent grant funding together with other incoming resources.

During the period ended 31 August 2021 the Trust achieved a deficit of £93,116 being the change in the balance in restricted general funds (excluding pension reserve) plus unrestricted funds.

Reserves Policy

This policy has been drawn-up considering guidance from the Charity Commission's *Charities and Reserves:* and was approved by Trustees in March 2016 and reviewed and updated on 18 March 2019. The policy is due to be reviewed again in March 2022. It details:

Definitions and goals

Restricted Reserves
Unrestricted Funds
Designated Funds

Use of reserves

Identification of appropriate use of reserve funds
Authorisation of use of reserves
Reporting and monitoring

Purpose

The purpose of the reserve policy for The Ashley School Academy Trust is to ensure the stability of the Academy's organisational operations, to protect it so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital.

Future Planned Expenditure for built up reserves

To continue to develop capital programmes for both building and IT infrastructure services, as annually agreed by The Board of Trustees during the budget setting process. At the same time to seek to supplement the reserves of the Trust with external funding, wherever possible, including the annual Condition Improvement Fund (CIF) bidding process undertaken by the DfE.

- Outdoor Gym completed November 2020 - £58,017;
- Replacement of old oil-fired boilers (Houses 2 & 4 & swimming pool) with energy efficient air source heat pumps, insulation of the school, solar panels and LED lighting replacement part of grant bid £752,544 and contribution from school £100,000; This was all completed within the timeframe, except for snagging;
- Replacement of old/defective 'crittall' windows – CIF bid contribution £30,000;
- Music Technology Studio – Est cost £20,000;
- Outdoor seating area;
- Outdoor hard play area (MUGA);
- Outdoor Classroom and Outdoor Education Wooded Area
- Accessibility for first floor music provision – Lift as part of growth plan for 2020/21 funding approved from SCC;
- The electronic gates and fencing around the site continue to safeguard pupils. These were installed in November 2020 - £56,228;
- Roof replacements – contribution £20,000.

Longer term aspirations include:

- a review of the mechanical and engineering aspects of the swimming pool and roof covering.

Actual
As at 31 August 2021, free reserves (represented by unrestricted net current assets) amounted to £803,248. The restricted general fund balances (excluding the pension reserve) amounted to £5,500, together with restricted fixed asset funds of £3,845,140. Total net assets of the Trust amounted to £2,375,888 including a pension liability of £2,278,000.

Investment Policy

In addition to cash held for the day to day operation of the Academy Trust, the Academy Trust held a 30-day notice account.

The Academy Trust seeks to maximise returns from its investments, minimise risk and maintain flexibility and access to funds. The level of investment will depend on resources available at the time the investment is considered and will consider the current financial situation as well as consideration of the finances during the period the investment is being considered for. Equally the Trustees will take a view of prevailing national economic circumstances and the credit ratings of those who are offering investment opportunities. Finally, the period of the investment will be judged on the rates available and other Academy Trust priorities at the time.

Principal Risks and Uncertainties

In September 2015 the Trustees approved a revised Risk Management Policy and a significantly more comprehensive Risk Register which had been prepared during the summer of 2015. This is discussed by Trustees half-termly and identified risks are RAG rated.

The Trustees have assessed the major risks to which the Academy Trust is exposed and ensure that steps are taken to mitigate risks. Risks are identified, documented and reviewed on a half-termly basis and procedures are in place to manage such risks.

This is done through the Committees and includes Educational risks such as the Academy not achieving the planned educational outcomes and maintenance and improvement on previous examination results, whole or partial building loss, financial and operational risks, including budget risks and health and safety reviews and safeguarding students. In this way steps are taken to mitigate risk. The Risk Register is managed through the Leadership and Management Committee.

The Trustees are implementing a number of systems to assess risks that the Academy faces, especially in the strategic risks areas and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. The Academy has an effective system of internal financial controls and this is explained in more detail in this report.

The Leadership and Management Committee have identified the top five risks faced by the Academy as:

- Loss of key person/succession risk;
- Over-reliance on one form of income;
- Risk that legislative requirements are not known or complied with;
- Academy receives unfavourable Ofsted report;
- Data protection risk.

Some significant risks such as public and employee liability are covered by the Academy's insurance policy. In September 2015 the Academy switched from conventional insurance policy to the Risk Protection Arrangements (RPA) provided by the Department for Education through its delivery arm the Education and Skills Funding Agency (ESFA).

Fundraising

The trust fund raises only for specific projects but otherwise accepts general donations to school funds. During the period there were no specific fundraising activities undertaken for projects within school.

We continue to fundraise for nationally recognised charitable causes, BBC Children in Need, Red Nose Day, Macmillan Coffee Morning, Guide dogs for the Blind and all funds collected were passed through the school accounts before being paid to the identified causes.

Plans for Future Periods

During 2021/2022 the Academy Trust will focus on:

Quality of Education - Curriculum Development

- Continue to develop and embed our 'Recovery' curriculum to ensure pupils build resilience against the loss of routine; structure; friendships; opportunities; freedoms and which focusses on relationships; community and skills for learning;
- Ensure our broad, relevant, accredited curriculum continues to meet need and prepares pupils for their next stages;
- Ensure pupils have opportunities to extend their learning at home;
- Maintain our effective use of 21st Century Technologies;
- Maintain our effective subject focus groups and use of both staff "champions" and "Link Trustees";
- Maintain our 'Total Communication' ethos;
- Further develop our 'Love of Reading' and our 'Reading Experts'.

Quality of Education

- Continue to develop our 'Recovery' curriculum;
- Continue to ensure that the changing landscape in examinations is implemented and new examinations sourced to ensure that all pupils continue to make Outstanding progress from their starting points;
- Continue to ensure that there is effective challenge at all levels, especially our "most able";
- Further develop and embed our effective progress monitoring through Annual Reviews (EHCPs), Next Steps and "settling in" reviews;
- Provide pupils with suitable homework to consolidate and extend their learning.
- Maintain TASDA across English and Maths and, as a result, demonstrate Outstanding progress;
- Maintain TASDA across the wider curriculum (Science, Humanities, Creative & Expressive Arts, PSHE/SEAL, ICT, PE and IPC);
- Maintain consistent use of effective feedback;
- Develop our 'Teaching & Learning Quartets' that share effective practice, evaluate and use research and apply learning to improve outcomes for all our pupils;
- Continue to ensure staff confidently and competently use assessment information to inform teaching & learning;
- Further develop staff KS & U of SLCN and, as a result, communication is no longer a barrier to learning TALC assessments are used effectively; staff apply Attention Autism practices;

Personal Development, Behaviour and Welfare

- Maintain our highly effective systems and processes to ensure excellent attendance is maintained;
- Maintain our effective transition process, embed this further to effectively ensure smooth transition and induction of new pupils (NB growth expected of an additional 24 pupils September 2021);
- Maintain the effective partnership role between Pupil & Family Support (PFS) Team and teaching staff (reactive and proactive);
- Maintain our effective B4L policy and practice including our collaborative problem-solving approaches (CPSA);
- To explore further opportunities for more effective multi-agency partnership working, resulting in informed, focussed outcomes;
- Develop champions regarding the impact of trauma on learning/behaviour and embed 'relational approaches';
- Further develop our global characteristic & dimensions and active participation with World Class Schools;
- Further develop effective strategies and support for our most complex pupils (Band I pupils).

Plans for Future Periods (continued)

Effective Leadership & Management including Governance

- Ensure that TASAT offers all pupils the Quality of Education, through our Recovery Curriculum, during the current pandemic;
- Effective leadership of TASAT through growth of 24 places for September 2021;
- Effective leadership of TASAT through a substantial KS2 'build' to accommodate new pupils;
- Effective leadership of TASAT ensuring appropriate appointments and induction;
- Further develop our work sharing impact and effective practices across areas/teams and leaders, thus ensuring sustainability/succession alongside excellent pupil outcomes;
- Through robust, layered effective PM and CPD, all staff have the relevant knowledge skills and understanding (KS and U) to meet our pupils' needs and undertake appropriate research;
- Continue to ensure that all staff are fully up to date with safeguarding legislation and responsibilities;
- Maintain our "Total Communication" ethos and build on our "Centre of Excellence" re. teaching social skills including looking to accredit 'Teaching Social Communication Skills' as an Area of Excellence through Challenge Partners;
- Keep at the forefront further exploration of potential opportunities for developing as a MAT, growing as a school or influencing local and government policy;
- Application and approval for Trust sponsorship which enables an empty MAT should opportunities to develop in this area arise;
- Explore opportunities for developing a Free School as part of TASAT, for ASD pupils.

Residence :

- Ofsted January 2020 Residential Inspection graded the provision Outstanding. We will continue to:
- Develop the residential facilities measured by improvements, renovations, upgrades and modernisation of facility;
- Continue the high quality and comprehensive training programme for all staff, including learning from other "Outstanding" provisions;
- Maintain highly effective induction and CPD for new staff and ensure appropriate career opportunities and CPD for experienced staff;
- Continue to develop volunteering opportunities for pupils in which they can achieve recognised accreditation;
- Further embed and use of impact data to improve residence outcomes;
- Review commissioning with LA including securing future budget models.

Professional Services

- Maintain effective use of the 21st Century ICT systems and processes that are sustained by both CPD and technical support;
- Ensure annual budget preparation and approval includes accurate forecasting and regular monitoring to ensure ongoing financial health;
- Ensure financial systems are used to secure high quality education in short, medium and long term working with our School Resource Management Adviser (SRMA);
- Maintain effective staff induction and well-being opportunities;
- Explore further opportunities to ensure TASAT operates as an "environmentally friendly" Academy Trust;
- Building Projects/Climate for Learning including Music Studio, Windows, Outdoor classroom and Residence;
- Ensure and sustain effective 'exam officer role';
- Continue to explore further opportunities for "income generation".

Plans for Future Periods (continued)

<u>Community and Partnership</u>

- Maintain effective “Families First” accreditation, parental engagement;
- Maintain school to school impact through Challenge Partners, East Coast Hub and as a NSS;
- Maintain Food Standards through ‘Food for Life’ accreditation;
- Maintain professional networks and ‘influencing’ opportunities.
- Explore opportunities for parents to access support programmes e.g. Steps to Triple P.

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the Trustees have taken all steps 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.

Lovewell Blake LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The Trustees’ Report, incorporating a Strategic Report, was approved by order of the board of Trustees, as the company directors on 9 December 2021 and signed on the board’s behalf by:

Mr D G Gowen
Chair of Trustees

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees’ Report and in the Statement of Trustees’ Responsibilities. The Board of Trustees has formally met three times during the year. The Academy maintained effective oversight of funds throughout the year through regular budget monitoring reports, through their 3 full Trust Board meetings, 6 Leadership and Management Committee meetings, 3 Executive Committee meetings. Alongside 5 Pupil Achievement Committee meetings, 3 Personal Development, Behaviour & Welfare Committee meetings and 3 termly Risk Register meetings where Trustees discuss and RAG rate the risks of the Trust. Attendance during the year at the Board of Trustees meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D G Gowen (Chair)	3	3
Mr M H Lott	2	3
Ms S Garrett	3	3
Mrs L Burton	1	3
Mr G Evans (appointed 16.07.2020)	3	3
Miss A Howlett	3	3
Mrs S Lofthouse (appointed 16.07.2020)	1	3
Mr T McKie	3	3
Mr D Payne	1	3
Mrs D Sibbald (resigned 10.09.2021)	1	3
Miss T Yates (appointed 16.07.2020, resigned 18.12.2020)	0	1

The main challenges that have arisen for the Board this year are:

- Ensure that TASAT offers all pupils the Quality of Education, through our Recovery Curriculum, during the current pandemic.
- Effective leadership of TASAT ensuring appropriate appointments, succession planning and induction
- Securing ‘equivalence funding’ through new National Fair Funding especially with regards to High Needs ‘Top Up’ and Residence following a delay;
- Embedding Personnel/HR procedures and policies;
- Monitoring SD&IP (School Development & Improvement Plan) and its impact;
- Monitoring staff well-being indicators;
- Ensuring provision of high-quality Professional Development;
- Oversight of major premises contracts/improvements;
- Determining priority of improvements within budget constraints;

Governance (continued)

- Implementing and embedding the new ICT strategy;
- Securing external capital/grant funding;
- Securing Outreach tender for next 3-5 years – this has been secured through SENDAT January 2016 and has now been extended until August 2021; from September 2021 this will move to a SCC LA Service;
- Securing SEND Strategy, further exploring Free School, MATs, growth provision under Suffolk SEND Growth;
- Ensuring the effective function of the school in a pandemic for vulnerable and at-risk pupils, whilst ensuring that all pupils had continued access to education in some form and regular contact with their key staff member;
- Securing an additional 24 places for September 2021.

Governance Reviews

The Trustees have undertaken the following reviews during the year:

- Participated in Challenge Partners 'Growing the Top' Programme;
- Residential Ofsted Inspection with Outstanding outcomes;
- Safeguarding self-evaluation identifying further training/updates;
- Chair of Trustees meets regularly with the Headteacher;
- Continue to explore opportunities around MATs/Free Schools, concluding in being successfully accepted as an 'empty MAT;
- Trustees Audit Skills Matrix undertaken identifying gaps in the Board;
- Having identified gaps in skills, new Trustees with specific skills were recruited to the Board;
- Trustees Self-Challenge (The Key);
- Link Trustees have met virtually with Senior and Middle leaders through subject focus.

The Leadership and Management Committee

The Leadership and Management Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Act in accordance with the School Governance Regulations and other legislation affecting the conduct and responsibilities of School Governing Bodies. To have regard, in carrying out delegated functions, to the School Improvement Plan approved by the Board of Directors. To act in accordance with the DfE and ESFA for the delegation of funds to schools.

- Assist the decision making of the Board, by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of the Academy's personnel, finances and resources, including proper planning, monitoring and probity.

- To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis. Major issues will be referred to the full Board for ratification.

The Leadership and Management Committee has formally met six times during the year. Attendance during the year at meetings of the committee was as follows:

Trustee	Meetings attended	Out of a possible
Mr D G Gowen	6	6
Mr M H Lott	5	6
Ms S Garrett	6	6
Mr T McKie (Chair)	6	6
Ms S Lofthouse	4	6

GOVERNANCE STATEMENT (continued)

Trading Subsidiary

As Oulton Broad Water Sports Centre has ceased trading, there were no meetings called throughout the year.

Director	Meetings Attended	Out of a Possible
Mr L C Chapman	-	-
Mr R Dell (Co-opted)	-	-
Ms S Garrett	-	-
Mr D G Gowen	-	-
Mr M H Lott (Chair)	-	-

Ashley School Trading Limited (t/a Oulton Broad Water Sports Centre) has ceased trading and has not traded in the last 12 months, the company will be closed imminently.

Review of Value for Money

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

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

- Operating an effective tendering process enabling the best value for money to be obtained for all purchasing, either from recognised local, national and government consortia or through a competitive tendering process, where required by our Financial policies.
- Regularly reviewing the deployment of our staff resources to ensure that they are allocated to support Teaching and Learning in the most effective way.
- Monitoring the use of budgets and resources regularly with regular reports to the Governing Body (termly), individual departmental budget holders (bi-monthly) and the Headteacher (monthly) on top of the day to day monitoring by the Professional Services Team.
- Continuing to maximise income from the income streams available to the Academy Trust.
- The school opted into the DfE / ESFA Risk Protection Arrangement (RPA) with effect from 1st September 2015 resulting in annual savings in excess of £25,000 per annum against previous commercial insurance arrangements.

Covid-19

The Ashley School Academy Trust have reviewed their contract portfolio and maintained delivery of critical services. We work with our suppliers to ensure continuity of goods/products/services and discuss continuity or variations to contracts as and when needed whilst adhering to the school value for money guidance. Invoices are processed on their receipt.

The school has continued to work with and use all suppliers as planned. Our main supplier has been Vertas who provide catering and cleaning staff to the school and who supported throughout the partial closure. All invoices have been processed within normal timeframes.

We could not guarantee value for money during covid-19 because supplies were in demand and not always accessible. However, we continued to seek value for money at every opportunity in line with our school policy and DfE guidelines. We did purchase additional furniture to allow social distancing at lunchtimes and marquees to enable outdoor learning to take place. We have purchased a considerable number of hand sanitising stations and two hand washing stations. We have purchased supplies of PPE to support both the partial opening and full opening in September 2020, we continue to purchase sanitiser and PPE.

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 The Ashley School Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Leadership and Management 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 Schools’ Choice as internal auditor. As an independent organisation, with significant financial and controls experience, they are able to provide the Trustees with independent review of the day to day performance of the Trusts financial systems, risk management and internal controls.

The internal auditor’s role includes giving advice on financial matters and other matters and performing a range of checks on the Academy Trust’s financial systems and other systems. In particular, the checks carried out in the current period included:

- testing and controls of purchase systems;
- testing and controls over petty cash;
- further testing covering key areas including: tax, insurance, governance, monitoring and review, inventory and security of assets, data security and risk management were not undertaken due to Covid-19 restrictions and time restrictions;

During the year the internal auditor has visited the Academy Trust once, during which no material control issues have arisen. To maintain independence, the reports arising from the Internal Audit visits are forwarded directly and separately to both the Nominated Trustee and the Headteacher.

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 9 December 2021 and signed on its behalf by:

Mr D G Gowen	**Ms S Garrett**
Chair	Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Ashley School Academy 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 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.

Ms S Garrett

Accounting Officer

9 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006.They are also responsible for safeguarding the assets of the charitable company and the group 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 and the group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of Trustees 9 December 2021 and signed on its behalf by:

Mr D G Gowen
Chair of Trustees

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF ASHLEY SCHOOL ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the financial statements of The Ashley School Academy Trust (the parent ‘Academy Trust’ and its subsidiaries (the ‘group’) for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Academy Balance Sheet, the Consolidated and Academy Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 group’s or 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASHLEY SCHOOL ACADEMY TRUST (continued)

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 (incorporating the strategic report and the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 by the parent academy trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy trust's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASHLEY SCHOOL ACADEMY TRUST

Responsibilities of trustees (continued)

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or the parent academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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:

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, testing of journal entries and other adjustments for appropriateness, evaluation the business rational of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx.This description forms part of our auditor's report.

Use of our report

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

MARK PROCTOR FCA DChA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

22 December 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE ASHLEY SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 7 September 2021 and further to the requirements of the Education & 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 The Ashley School Academy 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 The Ashley School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Ashley School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Ashley School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Ashley School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Ashley School Academy Trust's funding agreement with the Secretary of State for Education dated 10 August 2011 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 Academies Accounts Direction 2020 to 2021 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 conclusions includes:

Delegated authorities: Carrying out the suggested procedures detailed in the Academies Accounts Direction 2020/21 Annex B section 4.4 – 4.10 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding write-offs, property transactions, leases, novel and contentious payments, special payments to staff, borrowings, and if the terms of a FNtI have been complied with;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASHLEY SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Approach (continued)

Transactions with connected parties: Carrying out the suggested procedures in the Academies Accounts Direction 2020/21 Annex B section 4.12 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding declarations of interest and contracts with connected parties, including governors, and employees providing external consultancy;

Governance: Carrying out the suggested procedures in the Academies Accounts Direction 2020/21 Annex B Section 4.14 in considering whether the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding its governance arrangements;

Internal controls: Identifying the policies, reviewing their effectiveness and testing the operation of controls, through carrying out the suggested procedures in the Academies Accounts Direction 2020/21 Annex B Section 4.16 in order to consider whether the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding its internal controls;

Procurement: Identifying the policies, reviewing their effectiveness and testing their operation, through carrying out the suggested procedures in the Academies Accounts Direction 2020/21 Annex B Section 4.18 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding its procurement procedures; and

Income: Considering the conditions associated with specialist grant income and whether it has been spent as the purposes intended.

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.

MARK PROCTOR FCA DChA (Reporting Accountant)
For and on behalf of LOVEWELL BLAKE LLP

22 December 2021

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2021 (Including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
Income and endowments from:		£	£	£	£	£
Donations and capital grants	2	10,505	-	1,364,003	1,374,508	19,899
Charitable activities:						
Funding for the Academy Trust's educational operations	3	-	3,275,688	-	3,275,688	3,071,978
Other trading activities	4	54,077	-	-	54,077	62,495
Investments	5	91	-	-	91	6,341
Other income	6	31,120	-	-	31,120	-
Total income		**95,793**	**3,275,688**	**1,364,003**	**4,735,484**	**3,160,713**
Expenditure on:						
Charitable activities:						
Academy's educational operations	7	(11,581)	(3,456,664)	(114,518)	(3,582,763)	(3,244,967)
Total expenditure	7	**(11,581)**	**(3,456,664)**	**(114,518)**	**(3,582,763)**	**(3,244,967)**
Net income / (expenditure) before transfers		**84,212**	**(180,976)**	**1,249,485**	**1,152,721**	**(84,254)**
Transfers between funds	18	(129,665)	(98,687)	228,352	-	-
Net income / (expenditure) after transfers and before (losses)/gains		**(45,453)**	**(279,663)**	**1,477,837**	**1,152,721**	**(84,254)**
Other recognised (losses)/gains						
Actuarial (losses)/gains on defined benefit pension schemes	18/28	-	(599,000)	-	(599,000)	(143,000)
Net movement in funds		**(45,453)**	**(878,663)**	**1,477,837**	**553,721**	**(227,254)**
Reconciliation of funds						
Total funds brought forward	18	**848,701**	**(1,393,837)**	**2,367,303**	**1,822,167**	2,049,421
Funds carried forward	18	**803,248**	**(2,272,500)**	**3,845,140**	**2,375,888**	**1,822,167**

All of the Academy's activities derive from continuing operations during the financial period.

The notes on pages 35 to 55 form part of these financial statements.

Company No: 07729412

CONSOLIDATED BALANCE SHEET at 31 August 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible assets	13		**3,010,564**	**2,367,303**
Current assets				
Stock	14	5,282		5,550
Debtors	15	343,059		117,720
Cash at bank and in hand		1,777,872		1,043,115
		2,126,213		**1,166,385**
Current liabilities				
Creditors: Amounts falling due within one year	16	(372,753)		(148,678)
Net current assets			**1,753,460**	**1,017,707**
Total assets less current liabilities			**4,764,024**	**3,385,010**
Long term liabilities				
Creditors: Amounts falling due after one year	17		(110,136)	(115,843)
Net assets excluding pension liability			**4,653,888**	**3,269,167**
Defined benefit pension scheme liability	28		(2,278,000)	(1,447,000)
Total net assets			**2,375,888**	**1,822,167**
Funds of the academy trust:				
Restricted funds				
Restricted income fund	18		5,500	53,163
Fixed asset fund	18		3,845,140	2,367,303
Pension reserve	18		(2,278,000)	(1,447,000)
Total restricted funds			**1,572,640**	**973,466**
Unrestricted income funds	18		**803,248**	**848,701**
Total funds			**2,375,888**	**1,822,167**

The financial statements on pages 30 to 55 were approved by the Trustees, and authorised for issue on 9 December 2021 and are signed on their behalf by:

D G Gowen
Chairman of Trustees

The notes on pages 35 to 55 form part of these financial statements.

Company No: 07729412

ACADEMY BALANCE SHEET at 31 August 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible assets	13		**3,010,564**	**2,367,303**
Current assets				
Stock	14	5,282		5,550
Debtors	15	343,059		117,720
Cash at bank and in hand		1,777,872		1,043,115
		2,126,213		**1,166,385**
Current liabilities				
Creditors: Amounts falling due within one year	16	(372,753)		(148,678)
Net current assets			**1,753,460**	**1,017,707**
Total assets less current liabilities			**4,764,024**	**3,385,010**
Long term liabilities				
Creditors: Amounts falling due after one year	17		(110,136)	(115,843)
Net assets excluding pension liability			**4,653,888**	**3,269,167**
Defined benefit pension scheme liability	28		(2,278,000)	(1,447,000)
Total net assets			**2,375,888**	**1,822,167**
Funds of the academy trust:				
Restricted funds				
Restricted income fund	18		5,500	53,163
Fixed asset fund	18		3,845,140	2,367,303
Pension reserve	18		(2,278,000)	(1,447,000)
Total restricted funds			**1,572,640**	**973,466**
Unrestricted income funds	18		**803,248**	**848,701**
Total funds			**2,375,888**	**1,822,167**

The financial statements on pages 30 to 55 were approved by the Trustees, and authorised for issue on 9 December 2021 and are signed on their behalf by:

D G Gowen
Chairman of Trustees

The notes on pages 35 to 55 form part of these financial statements.

THE ASHLEY SCHOOL ACADEMY TRUST

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	22	**153,289**	**195,375**
Cash flows from investing activities	23	606,315	(73,152)
Cash flows from financing activities	24	(24,847)	(24,846)
Change in cash and cash equivalent in the reporting period		**734,757**	**97,377**
Cash and cash equivalent at 1 September 2020	25	1,043,115	945,738
Cash and cash equivalent at 31 August 2021	25	**1,777,872**	**1,043,115**

The notes on pages 35 to 55 form part of these financial statements.

ACADEMY CASH FLOW STATEMENT
for the year ended 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	22	**153,289**	**195,375**
Cash flows from investing activities	23	606,315	(73,152)
Cash flows from financing activities	24	(24,847)	(24,846)
Change in cash and cash equivalent in the reporting period		**734,757**	**97,377**
Cash and cash equivalent at 1 September 2020	25	1,043,115	945,738
Cash and cash equivalent at 31 August 2021	25	**1,777,872**	**1,043,115**

The notes on pages 35 to 55 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

1. Statement of accounting policies and general information

The academy trust is a company limited by guarantee and an exempt charity. The academy trust is registered in England and Wales. The address of the registered office is The Ashley School Academy Trust, Ashley Downs, Lowestoft, Suffolk, NR32 4EU.

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.

a) Basis of preparation

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

The Ashley School Academy Trust meets the definition of a public benefit entity under FRS 102.

b) Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust’s ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trustees have taken into account the effects of COVID-19 in making this assessment.

c) Income

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

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

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

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

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.

Interest receivable
Interest receivable is included within the Statement of Financial Activities on an accruals basis.

1. Statement of accounting policies (continued)

Donated fixed assets (excluding Transfers on conversion/into trust)
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies

Other trading activities
Other trading activities is included within the Statement of Financial Activities on an accruals basis.

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.

d) 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.

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

All resources expended are inclusive of irrecoverable VAT.

e) Tangible fixed assets

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

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

f) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Long leasehold land and buildings	2%
Improvements to long leasehold buildings	2%
Furniture and equipment	20%
Computer equipment and software	33%

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

1. Statement of accounting policies (continued)

f) Depreciation (continued)

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

g) 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 of the amount is has received as advanced payments for the goods or services it must provide.

h) Leased assets

The Academy has recognised the value of the property occupied by it, under a lease of 125 years, as prepared by DTZ on behalf of Education and Skills Funding Agency as at 31 August 2012.

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

i) Investments

The academy's shareholding in the wholly owned subsidiary Ashley School Trading Limited is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

j) 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:

Investments – the academy's shareholding in the wholly owned subsidiary Ashley School Trading Limited is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed note 16 and 17. 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.

k) Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

1. Statement of accounting policies (continued)

l) Stock

Unsold uniform and oil stock are valued at the lower of cost or net realisable value.

m) Taxation

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

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

n) 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.

Teachers' Pension Scheme
The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

o) 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 funders where the asset acquired or created is held for a specific purpose.

1. Statement of accounting policies (continued)

p) Fund accounting (continued)

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

q) Critical accounting estimates and areas of judgement

Estimates and judgement 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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.

The Trust has recognised the value of the property it occupies at a valuation prepared on behalf of the Education and Skills Funding Agency, for all academies joining the Trust. The property is then depreciated over the useful economic life in accordance with the Trust's accounting policies.

r) Consolidation policy

The financial statements consolidate the results of the Academy and its subsidiary, Ashley School Trading Limited, on a line by line basis. A separate Statement of Financial Activities for the Academy itself is not presented as the charity has taken advantage of the exemption of Section 408 of the Companies Act 2006.

Ashley School Trading Limited has not been audited as it is a dormant company.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	1,348,403	1,348,403	8,759
Donated fixed assets	-	15,600	15,600	-
Other donations	10,505	-	10,505	11,140
	10,505	1,364,003	1,374,508	19,899

Income from donations and capital grants was £1,374,508 (2020: £19,899) of which £10,505 was unrestricted (2020: £11,140), £nil restricted (2020: £ Nil) and £1,364,003 restricted fixed assets (2020: £8,759).

Government grants of £1,348,403 (2020: £8,759) were received from the ESFA, Salix Finance Ltd and Suffolk County Council.

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,399,790	1,399,790	1,404,816
Other DfE/ESFA grants				
High needs top up funding	-	1,522,169	1,522,169	1,380,637
Pupil premium	-	87,847	87,847	77,603
Teachers' pay grant	-	24,499	24,499	24,499
Teachers' pension grant	-	67,893	67,893	67,893
Other	-	16,370	16,370	24,981
	-	3,118,568	3,118,568	2,980,429
Other government grants				
Outreach Commissioned Service	-	82,070	82,070	78,840
Local authority	-	14,360	14,360	12,709
	-	96,430	96,430	91,549
Covid-19 additional funding (DfE/ESFA)				
Catch-up premium	-	33,600	33,600	-
Covid-19 exceptional support	-	27,090	27,090	-
	-	60,690	60,690	-
	-	3,275,688	3,275,688	3,071,978

Income from the academy's educational operations was £3,275,688 (2020: £3,071,978) of which £Nil was unrestricted (2020: £Nil), £Nil was restricted fixed assets (2020: £Nil) and £3,275,688 was restricted (2020: £3,071,978).

4. OTHER TRADING ACTIVTIES

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	480	-	480	10,029
Items sold	4,296	-	4,296	3,876
Income from services provided	25,094	-	25,094	21,802
Academy trips	8,177	-	8,177	5,855
Catering income	14,251	-	14,251	11,913
Staff training contribution	1,779	-	1,779	9,020
	54,077	-	54,077	62,495

Income from other trading activities was £54,077 (2020: £62,495) of which £54,077 was unrestricted (2020: £62,495), £Nil was restricted (2020: £Nil) and £Nil was restricted fixed assets (2020: £Nil).

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bank Interest	91	-	91	6,341

Investment income was £91 (2020: £6,341) of which £91 was unrestricted (2020: £6,341), £Nil was restricted (2020: £Nil) and £Nil was restricted fixed assets (2020: £Nil).

6. OTHER INCOME

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Insurance claims	31,120	-	31,120	-

Other income was £31,120 (2020: £Nil) of which £31,120 was unrestricted (2020: £Nil), £Nil was restricted (2020: £Nil) and £Nil was restricted fixed assets (2020: £Nil).

7. EXPENDITURE

	Staff costs	Non Pay Expenditure			
		Premises	Other costs	Total 2021	Total 2020
	£	£	£	£	£
Academy's educational operations:					
• Direct costs	2,008,212	-	298,238	2,306,450	2,182,582
• Allocated support costs	741,949	260,336	274,028	1,276,313	1,062,385
	2,750,161	260,336	572,266	3,582,763	3,244,967

Expenditure was £3,582,763 (2020: £3,244,967) of which £11,581 was unrestricted (2020: £4,742), £3,456,664 was restricted (2020: £3,143,322) and £114,518 (2020: £96,903) was restricted fixed assets.

7. EXPENDITURE *(continued)*

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation	114,518	96,903
Operating lease rentals	2,491	2,491
Fees payable to auditor for:		
Audit services – Academy	5,760	5,955
Other services – Academy	5,690	3,985
Other services – Trading company	-	500

8 CHARITABLE ACTIVITIES

	Total 2021 £	Total 2020 £
Direct Costs – educational operations	2,306,450	2,182,582
Support costs – educational operations	1,276,313	1,062,385
	3,582,763	3,244,967

Expenditure on charitable activities was £3,582,763 (2020: £3,244,967) of which £11,581 was unrestricted (2020: £4,742), £3,456,664 was restricted (2020: £3,143,322) and £114,518 (2020: £96,903) was restricted fixed assets.

	2021 £	2020 £
Allocated support costs		
Support staff costs	741,949	555,087
Technology costs	56,513	52,230
Premises costs	260,336	265,604
Other support costs	205,320	178,804
Legal costs - other	220	220
Governance costs	11,975	10,440
Support costs	1,276,313	1,062,385

Support costs totalled £1,276,313 (2020: £1,062,385) of which £Nil (2020: £Nil) was unrestricted and £1,276,313 (2020: £1,062,385) was restricted, and £Nil (2020: £Nil) was restricted fixed assets.

Analysis of Governance costs

	Unrestricted Fund £	Restricted Funds £	Total 2021 £	Total 2020 £
Audit fees	-	11,450	11,450	10,440
Professional fees	-	525	525	-
Total	**-**	**11,975**	**11,975**	**10,440**

9. STAFF

a. Staff costs

Staff costs during the period were:	2021 £	2020 £
Wages and salaries	1,825,907	1,713,006
Social security costs	167,620	155,605
Operating costs – Teachers Pension Scheme	243,533	214,816
Operating costs – defined benefit pension scheme	397,000	369,000
	2,634,060	2,452,427
Supply staff costs	96,932	38,376
Staff restructuring costs	9,060	-
Indirect employee expenses	10,109	5,182
	2,750,161	2,495,985
Staff restructuring costs compromise:		
Severance payments	9,060	-

b. Non statutory/non-contractual staff severance payments
Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £9,060 (2020: £nil). Individually, there was one payment of £9,060.

c. Staff numbers
The average number of persons employed by the Academy during the year was as follows:

	2021 No	2020 No
Teachers	20	20
Administration and support	47	43
Management	4	4
	71	67

d. Higher paid staff

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

Emolument amount	2021 No	2020 No
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
	3	3

9. STAFF (continued)

e. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior leadership team as listed on page 3. 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 £376,862 (2020: £383,802).

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

Ms S J Garrett (Principal and Trustees)
Remuneration £100,000 – £105,000 (2020: £100,000 – £105,000)
Employers pension contributions £20,000 - £25,000 (2020: £20,000 - £25,000)

Mrs L Burton (Staff Trustee)
Remuneration £50,000 - £55,000 (2020: £45,000 - £50,000)
Employer pension contributions £10,000 - £15,000 (2020: £10,000 - £15,000)

Mrs D Sibbald (Staff Trustee)
Remuneration £15,000 - £20,000 (2020: £15,000 - £20,000)
Employer pension contributions £0 - £5,000 (2020: £0 - £5,000)

Other related party transactions involving the Trustee are set out in note 29.

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020: £Nil) were reimbursed to nil (2020: none) Trustees.

11. TRUSTEES' AND OFFICERS' INSURANCE

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

12. INCOME FROM TRADING SUBSIDIARY

Ashley School Trading Limited t/as Oulton Broad Water Sports Centre is a company limited by guarantee with the registration number 08226539. The company is a wholly owned subsidiary of the Academy. The subsidiary was incorporated in September 2012 and commenced operation in December 2012. The company ceased trading on 29 September 2017. The directors have resolved to wind the company up in the year ended 31 August 2022.

A summary of the trading results for the period ended 31 August 2021 is shown below:

	2021 £	2020 £
Turnover	-	-
Administrative expenses	-	-
Net profit/(loss) for the period	-	-
Net assets as at 31 August 2021	-	-

13. TANGIBLE FIXED ASSETS (GROUP AND ACADEMY)

	Leasehold land & buildings	Assets Under Construction	Furniture & equipment	Computer equipment & software	Total 2021
Cost	£	£	£	£	£
At 1 September 2020	2,647,453	-	154,677	400,601	3,202,731
Additions	392,349	274,234	58,017	33,179	757,779
At 31 August 2021	3,039,802	274,234	212,694	433,780	3,960,510
Depreciation					
At 1 September 2020	388,314	-	112,055	335,059	835,428
Charged in year	54,921	-	26,171	33,426	114,518
At 31 August 2021	443,235	-	138,226	368,485	949,946
Net book values					
At 31 August 2021	2,596,567	274,234	74,468	65,295	3,010,564
At 1 September 2020	2,259,139	-	42,622	65,542	2,367,303

All assets are used for educational purposes.

No assets are held by the subsidiary trading company.

Included within Leasehold Land and Buildings is the valuation prepared by DTZ on behalf of the Education and Skills Funding Agency on conversion to an academy of £2,142,025 (Land £244,011 and Buildings £1,898,014). All other additions post conversion are included at cost.

The Academy trust holds a long term lease of 125 years for the Land and Buildings owned by Suffolk County Council for nil consideration.

14. STOCK

	2021		2020	
	Group	Academy	Group	Academy
	£	£	£	£
Clothing and oil	5,282	5,282	5,550	5,550
	5,282	5,282	5,550	5,550

15. DEBTORS

	2021		2020	
	Group	Academy	Group	Group
	£	£	£	£
Trade debtors	3,993	3,993	1,431	1,431
Other debtors	19,140	19,140	5,250	5,250
Prepayments and accrued income	250,125	250,125	76,357	76,357
VAT recoverable	69,801	69,801	34,682	34,682
	343,059	343,059	117,720	117,720

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021		2020	
	Group	Academy	Group	Academy
	£	£	£	£
Other creditors	115,035	115,035	106,648	106,648
Accruals and deferred income	257,718	257,718	42,030	42,030
	372,753	372,753	148,678	148,678

Included in other creditors is £24,847 (2020: £24,847) from ESFA regarding CIF advance and Salix loan, which is provided interest free and repayable over a period of seven and eight years.

Deferred income

	2021		2020	
	Group	Academy	Group	Academy
	£	£	£	£
Deferred income at 1 September 2020	6,435	6,435	-	-
Resources deferred in the year	-	-	6,435	6,435
Amounts released from previous year	(6,435)	(6,435)	-	-
Deferred income at 31 August 2021	-	-	6,435	6,435

Deferred income in 2020 represented funds received in connection with the Ashley Wales trip.

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021		2020	
	Group	Academy	Group	Academy
	£	£	£	£
Other creditors	110,136	110,136	115,843	115,843
	110,136	110,136	115,843	115,843

Included in other creditors is £110,136 (2020: £115,843) from ESFA regarding CIF advance and Salix loan, which is provided interest free and repayable over a period of seven and eight years. Of the £90,996, (2020: £19,236) £13,121 was due after 5 years.

18. FUNDS

	Balance at 1 September 2020	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2021
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	47,663	1,399,790	(1,348,766)	(98,687)	-
Other DfE/ESFA Grants	-	1,624,376	(1,624,376)	-	-
Other Restricted funds	5,500	190,832	(190,832)	-	5,500
Catch up premium	-	33,600	(33,600)	-	-
Other DfE/ESFA Covid-19 funding	-	27,090	(27,090)	-	-
Pension reserve	(1,447,000)	-	(232,000)	(599,000)	(2,278,000)
	(1,393,837)	3,275,688	(3,456,664)	(697,687)	(2,272,500)
Restricted fixed asset Funds					
DfE/ESFA capital grants	105,514	10,961	(76,485)	-	39,990
Other capital grants	-	1,337,442	(817)	-	1,336,625
Capital expenditure from GAG and Unrestricted Funds	992,837	-	(4,764)	228,352	1,216,425
Donated assets	1,241,704	15,600	(32,452)	-	1,224,852
Restricted funds	27,248	-	-	-	27,248
	2,367,303	1,364,003	(114,518)	228,352	3,845,140
Total restricted funds	**973,466**	**4,639,691**	**(3,571,182)**	**(469,335)**	**1,572,640**
Unrestricted funds					
General funds	848,701	95,793	(11,581)	(129,665)	803,248
Ashley School Trading Limited	-	-	-	-	-
Total unrestricted funds	**848,701**	**95,793**	**(11,581)**	**(129,665)**	**803,248**
Total funds	**1,822,167**	**4,735,484**	**(3,582,763)**	**(599,000)**	**2,375,888**

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

General Annual Grant: funds received from the ESFA for the running of The Ashley School Academy Trust.

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

Other DfE/ESFA Grants: Pupil Premium funds received from the ESFA for the provision of education.

Other Restricted Funds: funds received for specific revenue projects and activities undertaken by the Academy.

Catch up premium: funds received from the ESFA to support children and young people to catch up on missed learning caused by coronavirus.

Other DfE/ESFA Covid-19 funding: funds received from the ESFA for mass testing.

Pension Reserve: represents the School's liability relating to the Local Government Pension Scheme.

18. FUNDS (continued)

DfE/ESFA Capital Grants: funds provided by the government towards specific capital projects.

Other capital grants: Funds received from Suffolk County Council for the school expansion, funds received from Salix Finance Limited for the public sector decarbonisation scheme and a CIF award for window replacements.

Capital expenditure from GAG and other funds: represents the transfer of capital expenditure from restricted funds.

Donated assets

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

	Balance at 1 September 2019	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2020
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	1,404,816	(1,268,153)	(89,000)	47,663
Other DfE/ESFA Grants	-	1,470,949	(1,480,456)	9,507	-
Other Restricted funds	-	196,213	(190,713)	-	5,500
Pension reserve	(1,100,000)	-	(204,000)	(143,000)	(1,447,000)
	(1,100,000)	3,071,978	(3,143,322)	(222,493)	(1,393,837)
Restricted fixed asset Funds					
DfE/ESFA capital grants	163,373	8,759	(66,618)	-	105,514
Capital expenditure from GAG	913,344	-	-	79,493	992,837
Donated assets	1,271,989	-	(30,285)	-	1,241,704
Restricted funds	27,248	-	-	-	27,248
	2,375,954	8,759	(96,903)	79,493	2,367,303
Total restricted funds	**1,275,954**	**3,080,737**	**(3,240,225)**	**(143,000)**	**973,466**
Unrestricted funds					
General funds	773,467	79,976	(4,742)	-	848,701
Ashley School Trading Limited	-	-	-	-	-
Total unrestricted funds	**773,467**	**79,976**	**(4,742)**	**-**	**848,701**
Total funds	**2,049,421**	**3,160,713**	**(3,244,967)**	**(143,000)**	**1,882,167**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds 2021
	£	£	£	£
Tangible fixed assets	-	-	3,010,564	3,010,564
Net current assets	803,248	5,500	944,712	1,753,460
Long term liabilities	-	-	(110,136)	(110,136)
Pension scheme liability	-	(2,278,000)	-	(2,278,000)
Total net assets	803,248	**(2,272,500)**	**3,845,140**	**2,375,888**

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

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds 2020
	£	£	£	£
Tangible fixed assets	-	-	2,367,303	2,367,303
Net current assets	848,701	53,163	115,843	1,017,707
Long term liabilities	-	-	(115,843)	(115,843)
Pension scheme liability	-	(1,447,000)	-	(1,447,000)
Total net assets	**848,701**	**(1,393,837)**	**2,367,303**	**1,822,167**

20. CAPITAL COMMITMENTS

	2021	2020
	£	£
Contracted for, but not provided in the financial statements	853,716	86,131

21. COMMITMENTS UNDER OPERATING LEASES

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

	2021	2020
	£	£
Amounts due within one year	2,491	2,491
Amounts due between 1 year and 5 years	206	5,190
	2,697	**7,681**

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2021 Group £	2021 Academy £	2020 Group £	2020 Academy £
Net income/(expenditure)	1,152,721	1,152,721	(84,254)	(84,254)
Depreciation (note 13)	114,518	114,518	96,903	96,903
Capital grants from DfE and other capital income	(1,348,403)	(1,348,403)	(8,759)	(8,759)
Interest receivable (note 5)	(91)	(91)	(6,341)	(6,341)
Fixed assets donated (note 2)	(15,600)	(15,600)	-	-
Defined benefit pension scheme cost less contribution payable	206,000	206,000	181,000	181,000
Defined benefit pension finance cost	26,000	26,000	23,000	23,000
Decrease/(Increase) in stock	268	268	(211)	(211)
(Increase)/decrease in debtors	(225,339)	(225,339)	(11,888)	(11,888)
Increase/(decrease) in creditors	243,215	243,215	5,925	5,925
Net cash provided by operating activities	153,289	153,289	195,375	195,375

23. CASHFLOWS FROM INVESTING ACTIVITIES

	2021 Group £	2021 Academy £	2020 Group £	2020 Academy £
Interest received	91	91	6,341	6,341
Purchase of tangible fixed assets	(742,179)	(742,179)	(88,252)	(88,252)
Capital grants from DfE and other capital income	1,348,403	1,348,403	8,759	8,759
Net cash provided by/(used in) investing activities	**606,315**	**606,315**	**(73,152)**	**(73,152)**

24. CASHFLOWS FROM FINANCING ACTIVITIES

	2021 Group £	2021 Academy £	2020 Group £	2020 Academy £
Repayments of borrowing	(24,847)	(24,847)	(24,846)	(24,846)
Net cash (used in) by financing activities	**(24,847)**	**(24,847)**	**(24,846)**	**(24,846)**

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

Group:

	At 31 August 2021 £	At 1 September 2020 £
Cash in hand and at bank	1,777,872	1,043,115

Academy:

	At 31 August 2021 £	At 1 September 2020 £
Cash in hand and at bank	1,777,872	1,043,115

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash Flows £	At 31 August 2021 £
Cash	1,043,115	734,757	1,777,872
Loans falling due within one year	(24,847)	-	(24,847)
Loans falling due after more than one year	(115,843)	24,847	(90,996)
Total	902,425	759,604	1,662,029

27. MEMBERS' LIABILITY

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

28. PENSION AND SIMILAR OBLIGATIONS

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

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2019.

Included in other creditors at the year end was outstanding pension contributions amounting to £49,197 (2020: £44,503).

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employers pension costs paid to TPS in the period amounted to £243,533 (2020: £214,816).

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

28. PENSION AND SIMILAR OBLIGATIONS (continued)

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £213,000 (2020: £208,000), of which employer's contributions totalled £165,000 (2020: £165,000) and employees' contributions totalled £48,000 (2020: £43,000). The agreed contribution rates for future years are 21.5% for employers (reducing at 1% per annum to 2023) and 5.5% - 12.5% for employees.

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

Principal Actuarial Assumptions

	At 31 August 2021 % P.A.	**At 31 August 2020 % P.A.**
Pension increase rate	2.9	2.2
Salary increase rate	3.6	2.9
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.9	2.2
Commutation of pensions to lumps sums	25% and 63%	25% and 63%

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

	At 31 August 2021	**At 31 August 2020**
Retiring today		
Males	22.1	21.9
Females	24.5	24.1
Retiring in 20 years		
Males	23.2	22.7
Females	26.4	25.6

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

	Fair value at 31 August 2021 £	**Fair value at 31 August 2020 £**
Equities	2,014,000	1,436,000
Bonds	763,000	633,000
Property	214,000	219,000
Cash	61,000	146,000
Total market value of assets	**3,052,000**	**2,434,000**

The actual return on the scheme assets for the year was £426,000 (2020: £13,000).

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

28. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Amounts recognised in the Statement of Financial Activities	2021	2020
	£	£
Current service cost (net of employee contributions)	(371,000)	(346,000)
Interest cost	(69,000)	(67,000)
Interest income	43,000	44,000
Total amount recognised in the SOFA	(397,000)	(369,000)

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

	2021	2020
	£	£
At 1 September 2020	3,881,000	3,334,000
Current service cost	371,000	346,000
Interest cost	69,000	67,000
Employee contribution	48,000	43,000
Actuarial gains	982,000	112,000
Estimated benefits paid	(21,000)	(21,000)
At 31 August 2021	**5,330,000**	**3,881,000**

Changes in the fair value of the Academy's share of scheme assets:

	2021	2020
	£	£
At 1 September 2020	2,434,000	2,234,000
Interest income	43,000	44,000
Employer contributions	165,000	165,000
Employee contributions	48,000	43,000
Actuarial (loss)/gains	383,000	(31,000)
Estimated benefits paid	(21,000)	(21,000)
At 31 August 2021	**3,052,000**	**2,434,000**

Sensitivity analysis

	Approximate % increase in Defined Benefit Obligation	Approximate monetary amount
	£	£
0.1% decrease in the Real Discount Rate	3%	147,000
0.1% increase in the Salary Increase Rate	0%	8,000
0.1% increase in the Pension Increase Rate	3%	136,000
1 year increase in member life expectancy	4%	213,000

29. RELATED PARTY TRANSACTIONS

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

Expenditure Related Party Transactions

Mr L C Chapman, director of Ashley School Trading Limited, is Headteacher of Priory School, Bury St Edmunds. During the year purchases from Priory School were made for legal advice amounting to £Nil (2020: £220 for legal advice). At the year end £Nil (2020: £Nil) was owed to Priory School from the Trust.

R Jones, daughter of D Sibbald (trustee), is employed by the academy trust as a teaching assistant. R Jones's appointment was made in open competition and D Sibbald was not involved in the decision-making process regarding appointment. R Jones is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship with a trustee

Income Related Party Transactions

Mr L C Chapman, director of Ashley School Trading Limited, is Headteacher of Priory School, Bury St Edmunds. During the year outreach services, training and sale of equipment was provided to the school amounting to £75,000 (2020: £75,570). At the year end £Nil (2020: £Nil) was owed from Priory School to the trust.

30. RESULTS OF THE ASHLEY SCHOOL ACADEMY TRUST

These accounts consolidate the results of the Trust and the trading subsidiary, which was dormant throughout the year, the Trust is not required to produce its own Statement of Financial Activities having taken advantage of the exemption provision in Section 408 of the Companies Act 2006. Net income of £1,152,721 (2020: expenditure of £84,254) has been recognised in the accounts of the Trust.