

**Report of the Trustees and  
Financial Statements for the Year Ended 31st August 2020  
for  
The New Guild Trust**

Hardings  
Chartered Accountants & Statutory Auditor  
6 Marsh Parade  
Newcastle-under-Lyme  
Staffordshire  
ST5 1DU

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for the Year Ended 31st August 2020**

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**The New Guild Trust**

**Reference and Administrative Details  
for the Year Ended 31st August 2020**

<b>Members:</b>	S Brough D Webster S Kuzubasoglu
<b>Trustees</b>	L Eagle D Webster (resigned 1/7/2020) S J Dutton P Humphreys K Peters M Robson (resigned 27/11/2019) S Brough H Frost M Bennett (resigned 18/1/2020) J N Grindey (appointed 1/7/2020)
<b>Company secretary</b>	E L Searl
<b>Senior Management Team</b>	Mrs K Peters – Accounting Officer/Chief Executive/Headteacher of Moorpark Junior School Mrs A Lupton – Headteacher of Alexandra Infants Mr R Muller – Headteacher of Alexandra Juniors Mrs R Davies – Headteacher of Jackfield Infants Mrs L Wright – Head of School Moorpark Junior Mrs E Searl – Chief Finance Officer
<b>Registered office</b>	Moorpark Junior School Park Road Burslem Stoke-on-Trent Staffordshire ST6 1EL
<b>Registered company number</b>	11185205 (England and Wales)
<b>Auditors</b>	Hardings Chartered Accountants & Statutory Auditor 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU
<b>Solicitors</b>	Wrigleys Solicitors 19 Cookridge Street Leeds LS2 3AG
<b>Bankers</b>	Lloyds Bank Plc Fountain Square Hanley Stoke-on-Trent Staffordshire ST1 1LE

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

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

The academy Trust operates 2 infant and 2 Junior academies for pupils aged 3 to 11 years, serving a catchment area in Stoke-on-Trent. It has capacity of 939 and had a roll of 858 in the school census in October 2019.

#### **Objectives and activities**

##### **Objectives and aims**

The New Guild Trust believes in the sum of its parts to be greater than its equal through trust, collaboration and high expectations to ensure the best education and employment for all children and adults alike.

The Trust aims to:

- Provide a curriculum for the needs of every child that will be full of opportunities, nourishment and growth.
- Employ people who work with our children and families as the golden thread throughout, providing care, warmth and inspiration to all; they are strong with love, proud with belonging and provide the best education as firm foundations for everyone's success.
- Care for everyone, communicate well, be highly organised, work well individually but equally well together.
- Work with business, external educational leaders and the wider society to ensure the success in our schools goes above and beyond into employment opportunities for the future and for the prosperity of local communities and global citizenship.
- Conduct business in accordance with the highest standard of integrity, probity and transparency in compliance of the Academies Financial Handbook.
- Oversee the financial performance of the Multi Academy Trust and make sure all funding is well spent on teaching and learning with best value for money.

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Objectives and activities**

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

The strategic development plan for the Trust was created by the senior leaders of each school within the Executive board and has been further developed through consultation with each local community governing body and trustee committees.

The priorities identified in the plan are informed from individual self-evaluations of performance, external and peer to peer reviews of teaching and learning alongside the analysis of assessment information in each school at the end of key stage and internally. In addition to this information the outcomes of external teaching and learning reviews further inform the school and trust priorities. Performance management targets are set within each school to mirror the objectives for school specific and trust shared priorities where applicable.

There are shared networks across the trust that formulate their action plans from and to the main development plan. These cover the key areas of:

- English
- Maths
- Science
- Sport/PE
- PHSE
- SEND
- Pupil premium
- Attendance and family support
- School business management
- Remote learning

Each individual school incorporates the shared trust priorities alongside school specific areas of improvement. In each school, middle and senior leaders create individual action plans for specific curriculum priorities. These cover other key areas of:

- Humanities and creative arts
- Computing
- Early Years Foundation stage
- Outdoor education / forest schools

The objectives and aims for the period September 2019 to August 2020 were as follows:

#### **Quality of Education**

##### ***INTENT & IMPLEMENTATION***

Intent and implementation of curriculum and teaching is at least good.

English, maths and science have a Trust level of development and good practice replicated in each school.

##### ***IMPACT***

Quality of teaching and learning in 100% classrooms is at least good

Network of core leadership across the Trust is able to provide external school to school support (SLE accreditation)

Best value demonstrated for Pupil premium funding and high quality SEND that ensures achievement and attainment in our academies is consistently good and that pupils of all abilities across the Trust make at least expected progress from their starting points at the end of each key stage.

All schools in the trust to be judged by OFSTED as good or outstanding within 3 years of conversion and to remain or improve on that.

Exceed floor targets in progress and attainment in all subjects at the end of each key stage and EYFS.

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Objectives and activities**

##### **Personal development**

###### **Embed ethos of Growth mindset and wellbeing of staff and pupils**

Staff and children show resilience, self-regulation, motivation and ambition in all aspects of school life. Schools are committed to tackling teachers' workload whilst ensuring every child has the best education. Achieve trust level trauma informed schools accreditation.

###### **Behaviour and attitudes**

Safeguarding remains outstanding in all schools.

###### **Attendance**

Pupils in the academy attend regularly and rates are at least equal to national. Persistent absence reduces year on year, aiming to eradicate by 2022.

###### **Leadership and management**

Business management of the Trust continues to be robust and effective.

MAT growth - financial risk is highly informed to facilitate supporting other schools whilst mitigating the risk to the MAT.

All members of the MAT leadership and governance structure are fully informed of development and progress.

###### **Developing the workforce**

Recruitment, training and development of our workforce of leaders, teachers, support staff and administrators will result in the delivery of an outstanding provision for all our pupils.

Quality of teaching and learning will improve

Middle leaders are confident in their role and effective in leading the curriculum

Develop a reflective ethos that results in innovative practices in all aspects of school life

There is a feeling of good wellbeing across the workforce.

###### **Further strengthen the Quality of leadership (trustees, LCGB, SLT)**

Leadership and Governance across the Trust is excellent and succession planning is effective in securing leaders of the highest quality across the Trust.

The capacity of the Trust grows through highly skilled leadership at all levels.

###### **Public benefit**

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Strategic report**

#### **Achievement and performance**

#### **Key performance indicators**

#### **OFSTED**

- 2 schools Ofsted graded Good (2018), 2 schools Ofsted graded Requires improvement (2017) - awaiting inspection, likely MAT review with individual school inspections due 2021 - all schools self-evaluation graded Good with some outstanding features, validated by termly external reviews.

#### **Covid -19 specific**

- All schools remained open during the March - June 2020 lockdown for key worker and vulnerable children. Utilising one site in each locality for infant and junior shared provision of staffing and for family support.
- All schools provided distance/ remote learning for every child.
- All schools maintained close contact and welfare support for every child and family.
- Safeguarding continued to be highly effective throughout lockdown, the schools reopening in June and throughout the Summer holiday 2020.

#### **Quality of education.**

- Every school has reviewed and revised the intent of a broad and balanced curriculum.
- External reviews are positive on the implementation of the curriculum. All subject leaders are confident to support the whole school in their area of the curriculum.
- 100% of teaching and learning is at least good across the trust.
- Overall reading and language development and maths mastery is improving in the trust and this has been a key priority for improvement in all schools. Confirmed by external reviews in all schools.
- PSQM (Primary Science Quality Mark) achieved at Alexandra Junior school.
- Bronze P4C award (Philosophy for children) achieved at Moorpark Junior School.

Performance indicators to February 2020 (shorter assessment time due to Covid-19 and lack of national assessment information for comparison for 2020).

- Attainment significantly increased at Alexandra Juniors in all subjects, writing remains above national and although still below national in reading and maths improved from the last two years of having a trigger to indicate it was significantly below and in the lowest 20% of all schools nationally. Progress is above national in writing and in line with national in reading and maths and this has been sustained for over three years.
- Progress increased at Moorpark Junior School 2020 to be in line with national, improved from falling significantly below in reading for the last 2 years, whilst attainment is lower than national from teacher assessment 2020 this is cohort specific.
- Progress remains strong and evident in all pupils work and understanding as confirmed by external reviews in all schools.
- Progress evident in pupil books is at least expected and accelerated for target groups from starting points. SEND and PP make good progress from starting points. Substantial progress in EYFS.
- At EYFS, Ks1 and Ks2, target underperforming groups made accelerated progress to close the gap to national even by the February assessment point 2020 before Covid-19 school disruption, although this remains a priority and will continue with even greater acceleration in 2020-2021.
- All schools are above floor targets for attainment and progress even by the February early assessment and indications for end of year in eyfs & KS1.

#### **Personal development**

- All schools across the Trust have revised their positive behaviour policies for the new September 2020 term informed by attachment and trauma awareness (external accreditation for trauma informed schools delayed due to Covid-19 - planned for 2021)
- Attendance significantly improved in all schools from 94% to 96% (to Feb 20). (No fines issued since introduction of fining policy). Continue target to be above 97%.

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

- Persistent absence (PA) reduced in all schools by Feb 2020. Although PA remains greater than national in some schools (to Feb 20), external reviews have confirmed measures taken by the schools to tackle PA are above and beyond. Continue target to be below national PA.

#### **Leadership & management**

- Increased number of leaders and teachers provide external school to school support.
- All schools have a working strategy on managing teachers' workload, staff voice shows staff feel valued and supported by senior leaders and regularly review systems to fulfil their roles.
- Staff and children have clearly demonstrated significant levels of resilience and motivation during the ongoing Covid-19 crisis. There is a strong ethos of growth mindset and reflective practice throughout each school.
- All areas of school and trust business management remain robust and compliant. All submission deadlines met. GDPR external DPO, finance and health and safety audits report all schools compliant.
- Recruitment and induction for new trustees and local community governors enables understanding, support and challenge of leaders.
- Succession planning for trustees and chairs of trust and LCGB shows effectiveness at all levels of governance.
- MAT growth strategy strengthening through trust collaboration peer to peer review structure established with another local trust, collaborative agreement between trust boards complete. (Covid-19 disruption - continues into 2020 - 2021). MAT growth decisions are informed by robust risk analysis.
- Professional development of staff at all levels continued throughout Covid-19 with multiple online learning opportunities ranging from SEND specific courses, health and safety modules to phonics and EEF CPD, staff at a range of levels have successfully completed individual qualifications.



## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Strategic report Financial review**

Income for the period was £5,187,133 of which £4,498,311 was provided by the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) by means of standard grants to cover operational and capital costs. The remaining £688,822 was as a result of donations, other government grants and other trading activities including funds generated by extended school activities.

Expenditure for the period was £5,514,419 with the largest element of this expenditure being attributed to staff costs totalling £3,762,272 for the period. The depreciation and amortisation charge on tangible and intangible assets of £155,784 has been included. Net deficit for the period was £327,286.

The academy trust element of the Pension fund that forms part of the Local Government Pension Scheme was valued at 31 August 2020 showing a net deficit of £2,965,000.

As at 31 August 2020, the net book value of tangible fixed assets was £6,652,866 and the movements are shown in note 13 of the accounts. The assets were used exclusively in providing education and the associated support services to the pupils across the academy trust.

The academy trust complies with the principles of financial control as outlined in the Academies Financial Handbook and the accounts direction. Financial performance is monitored monthly and Management reports are sent to all Trustees/Members. The CFO meets with the Chair of the Resources and Audit Committee to discuss the MATs financial performance. There are regular reviews of the finances within the Local Governing Board meeting, Resource and Audit committee meetings and the Full Board meetings. All key policies are published on the Trust website.

The trust uses HCSS budgeting and accounting software to closely monitor the budget in each academy. Information from this is consolidated at MAT level. This allows an increased level of control both over current spending and the development of future budgets to ensure long-term viability of individual academies.

The impact of COVID- 19 has had significant impact on school budgets as income from breakfast/after school clubs for Summer term 2020 was budgeted but none was received. Staff costs were still incurred during this period and Moorpark had furloughed 3 x after school support staff, as the income from this provision was to offset against the staff members' wage. All schools have paid exceptional costs for cleaning and hygiene products to ensure the schools are COVID safe. The amount spent in 19/20 from June 20 up to August 20 was £6,661.95. This amount cannot be claimed back, and this will no doubt increase into 20/21 expenditure across all schools.

Following the DfE Procurement Policy Notice (PPN) - supplier relief, the schools continued to pay for school meals based on an expected weekly average from city catering.

#### **Investment policy and objectives**

The investment policy supports the reserves policy. The academy trust seeks to adopt a cautious, prudent and well-diversified investment stance taking into account future cash flow projections to balance potential returns with appropriate levels of risk whilst attracting as high an interest returns as possible.

The Trust aims to manage its cash balances for the day to day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. Reserve Funds will be held with Lloyds Bank or in other instruments and investments as agreed from time to time by the Board of Trustees. On the date of approval of this report, the trust holds no investments

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Strategic report**

#### **Financial review**

#### **Reserves policy**

Any reserves held are in accordance with the requirements laid down in the Master Funding Agreement and by the Education & Skills Funding Agency. The level of reserves held takes into account the nature of income and expenditure streams, the need to match them to commitments, including future capital projects, and the need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements, especially to buildings repair not covered by insurance. The board of trustees identify capital projects on an annual basis and reserves are reviewed alongside this exercise. The board of trustees will review the level of reserves and reserves policy annually.

As at 31 August 2020 the academy trust has reserves of £472,521 with unrestricted funds of £293,603 and restricted funds of £178,918.

The level of reserve for each academy will be reviewed on an annual basis as part of the annual budget cycle.

The Trust will aim to hold Working Capital reserves at each month end to cover the cost of one month's payroll commitments and committed expenditure. Reports will be made to the CEO if funds look insufficient.

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them to commitments, including future capital projects, and the need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements, especially to buildings repair not covered by insurance.

#### **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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

#### **Fundraising**

Within the provisions of the Charities (Protection and Social Investment) Act 2016, section 13, the Trust supports fundraising for the individual schools and for external charities. The Trust complies with the Accounting and reporting by charities; statement of recommended practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK (FRS 102), charities SORP

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Strategic report**

##### **Principal risks and uncertainties**

The Trustees are responsible for the management of the risks faced by all the Trusts academies. Risks for each academy are identified and assessed in each individual academy. Each Academy holds a risk register which analyses risk over a number of categories. The Trust has a main risk register for the MAT. This is reviewed by the leadership team and Audit committee annually. The trustees can then review strategies and ensure that the risk is reduced to low impact and incidence levels.

The categories covered are:

- Strategic
- Organisational
- Financial Risks
- Compliance
- Operational
- Safeguarding

The system of internal control is designed to manage risk to a reasonable level rather than eliminate it.

The key uncertainties which the trust face include: -

- The risk of government policy funding changes upon which the academy has considerable reliance.
- Potential fall in nursery/junior numbers due to local competition and aggressive marketing practices, which would result in loss of income to the schools through the GAG.
- The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS102.
- Staffing issues such as loss of Senior Management, epidemic sickness or long-term sickness rendering the academy unable to function effectively and efficiently.
- Financial commitments made without adequate authorisation
- The impact of COVID-19 on all pupils' educational outcomes and the impact on teaching and learning throughout the Trust.

Strategic report

Academy	Area	Risk	Strategies
	Academy improvement - School Performance and quality of education is at least good in all schools	<ul style="list-style-type: none"> <li>• Significant gaps in learning and emotional development of children returning to school following covid-19 school closures.</li> <li>• Performance of schools not improving sufficiently or quickly enough impacts on OFSTED judgements and therefore, reputation of the Trust.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase teaching capacity for rapid intervention to close gaps and provide ESMH support.</li> <li>• Prioritise resources to ensure rapid school improvement – ICT/equipment/books</li> <li>• Ensure accurate and efficient assessment and monitoring systems are in place to ensure progress of the quality of education.</li> <li>• Ensure link Trustees and LCGB are informed to provide another layer of support and challenge.</li> <li>• School to school support deployed effectively.</li> </ul>
<b>The New Guild Trust</b>	Leadership – creating a self-sustaining, system led, collaborative approach to improvement.	<ul style="list-style-type: none"> <li>• National shortage of high-quality school leaders impacts on ability to recruit within the Trust</li> <li>• Leaders resign or move from the Trust</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure quality succession planning of senior leadership across the trust.</li> <li>• MAT executive board ensures that leaders across the trust understand the priorities in each academy school.</li> </ul>
<b>The New Guild Trust</b>	Business – To strengthen the Trust to ensure future sustainability and efficiency.	<ul style="list-style-type: none"> <li>• An academy becomes financially unviable due to fall in pupil numbers/ high rise in staff pay progression.</li> <li>• Adverse changes to national funding formula.</li> <li>• Changes to High Needs funding impacts on capacity to support pupils with SEND.</li> </ul>	<ul style="list-style-type: none"> <li>• Effective planning and management of staffing and resources to identify impact on budget over time to inform strategic decision making.</li> <li>• Effective financial management systems in place. Monthly reporting to CFO/CEO of positions.</li> <li>• Services for SEND ensure early identification, intervention, assessment is always robust to secure EHCP provision alongside budget planning to ensure appropriate resources are meeting the needs of SEND pupils.</li> <li>• Trust procurement of SEND/ EP services to minimise waiting lists and ensure specialist services attend to early identification and more swift assessment to gain accurate EHCP support.</li> </ul>
<b>The New Guild Trust</b>	Business – MAT Growth plans	<ul style="list-style-type: none"> <li>• Uncertainty with regards to the future merger with other schools – not enabling the Trust to grow</li> <li>• Trust grows too quickly - embarking on high risk ventures weakens other areas of school improvement/ finance.</li> </ul>	<ul style="list-style-type: none"> <li>• Liaising closely with the Trust and CEO and AO of other Trusts to ensure strong relationships are forged and shared visions are growing to enable schools to naturally merge.</li> <li>• Full due diligence, including risk register and financial forecasts to be completed. Transparency of findings to the Trust.</li> </ul>

Strategic report

Academy	Area	Risk	Strategies
<b>The New Guild Trust</b>	People – To ensure staff/pupil wellbeing	<ul style="list-style-type: none"> <li>Unable to retain quality staff/ fall in pupil numbers reduces resources/ staffing across the Trust impacts negatively on the long-term viability and performance.</li> <li>Staff absence rate continues/ long term sicknesses to be covered impacting on risks to budgets.</li> </ul>	<ul style="list-style-type: none"> <li>Workload and work life balance strategies focused priority for all staff in all academy schools, fixed item on executive board agenda.</li> <li>Marketing strategies are in place for recruiting pupils</li> <li>Ensure all school have sufficient staff coverage within their staff absence policies.</li> <li>Monthly monitoring of academy school budgets</li> </ul>
<b>Jackfield Infant</b>	Academy	<ul style="list-style-type: none"> <li>Significant gaps in learning and emotional development of children returning to school following covid-19 school closures.</li> <li>Slight drop in pupil numbers having an adverse impact on the school budget.</li> <li>Low surplus due to EYFS funding formula. And reduced planned income from nursery contributions due to covid-19 closures.</li> </ul>	<ul style="list-style-type: none"> <li>Increased teaching capacity 2020 – 2021, will increase SENCO capacity.</li> <li>Increasing marketing of the school.</li> <li>Review cost saving areas – Schools Resource management tool.</li> <li>Reviewing potential areas for support from link junior school for staffing.</li> </ul>
<b>Moorpark Junior</b>	Academy	<ul style="list-style-type: none"> <li>Administration capacity low due to SBM fulfilling CFO responsibilities and extra support for AIS finance &amp; business management.</li> </ul>	<ul style="list-style-type: none"> <li>Roles and responsibilities of administration team revised in view of the changes to the SBM/CFO responsibilities established in first year, to be sustained.</li> <li>Strategic review of admin roles across the MAT to ensure capacity is met.</li> <li>Continued increase capacity at MPJ administration team to support CFO, upskill current staffing to take on additional office duties from SBM.</li> <li>Increase CFO capacity.</li> </ul>
<b>Moorpark Junior</b>	Academy	<ul style="list-style-type: none"> <li>Capacity of SLT with CEO/Headteacher completing NLE duties.</li> </ul>	<ul style="list-style-type: none"> <li>SLT restructured to create Head of School to ensure accountability whilst headteacher is regularly not physically present in the school.</li> <li>Increased capacity of teaching, support staff and SENCO to support across the school and SLT</li> </ul>

Report of the Trustees  
for the Year Ended 31st August 2020

Strategic report

Academy	Area	Risk	Strategies
Alexandra Infants	Academy	<ul style="list-style-type: none"> <li>Fall in pupil numbers Impacting on reduced of resources (staffing and materials).</li> <li>Significant gaps in learning and emotional development of children returning to school following covid-19 school closures.</li> </ul>	<ul style="list-style-type: none"> <li>Increased marketing of the school.</li> <li>Reviewing cost saving areas – Schools Resource management tool to review staffing structure.</li> <li>Review of teaching group sizes to support budget and staffing factors.</li> <li>Use of staff from partner Junior school for classroom support.</li> <li>Re-evaluate cross charges</li> <li>Increase and sustain teaching capacity</li> </ul>
Alexandra Infants	Academy	<ul style="list-style-type: none"> <li>Reduction in SBM to share SBM capacity across two schools, risks on quality of finance and business.</li> </ul>	<ul style="list-style-type: none"> <li>SBM over 2 schools reviewed and efficiencies made by reducing SBM role but upskilling existing office staff (Level 6) to complete duties with support from CFO</li> </ul>
Alexandra Juniors	Academy	<ul style="list-style-type: none"> <li>Impact of staff changes and recruitment on day to day administration through shared SBM role across two schools compromising the efficiency of the SBM role.</li> </ul>	<ul style="list-style-type: none"> <li>Review the trial re-deployment of the existing SBM to support finance across the two schools. To ensure efficiencies and work is focused SBM to remain in one school and focus on completing tasks effectively and timely.</li> </ul>
Alexandra Juniors	Academy	<ul style="list-style-type: none"> <li>Significant gaps in learning and emotional development of children returning to school following covid-19 school closures.</li> </ul> <p>1.</p>	<ul style="list-style-type: none"> <li>Increased and sustained support staff teaching capacity.</li> </ul>

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

#### **Strategic report**

Risk is managed at The New Guild Trust through sound financial practice as stipulated in the Trusts Accounting and Finance Policy. The Trust is committed to strengthening the efficiency of the finance functions across the Trust and retaining expertise within. Financial software and database systems have been installed across the Trust to allow collaborative working. The Trusts financial policy and procedures are adopted in each academy to improve internal auditing and advice is sought from the Trust's external auditors to ensure best practice. The Accounting Officer, CFO and SBM's ensure they meet regularly to standardise processes and maximise economies of scale through combined procurement.

#### **Future plans**

Achieving high standards of education is a constant aim for every school in the Trust to be at least good. Longer term, we envisage the work of the trust will involve supporting more schools in their development and improvement. The Trust will develop capacity and will aim to grow in the future.

Future plans are financed from income direct for the DfE, related to pupil numbers and other lump sum factors. Trustees will ensure funding is invested appropriately for the next generation of pupils as they have done in the past for current pupils.

The trust is continuing to look at development after discussion with the Regional Schools Commissioner and will be looking at how the trust grows in order to fulfil its vision and ethos.

At the date of approval, the trust was not negotiating the sponsorship or entry of any other school or academy. The trust has a strategic development plan in place and any growth plans will be subject to the capacity of the trust and the conduct of due diligence.

## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

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

##### **Charity constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The New Guild Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The New Guild Trust which includes the following schools: -

Moorpark Junior School  
Jackfield Infant School  
Alexandra Junior School  
Alexandra Infants School

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

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

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

##### **Trustees' Indemnities**

As part of the overall insurance cover taken out with third party insurers the trust has taken out insurance relating to Governors Indemnity. The limit of indemnity cover is £5,000,000 in this respect.

##### **Recruitment and appointment of new trustees**

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The Articles of Association require the members of the trust to appoint at least 3 Trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the academy.

Trustees are recruited by nomination and election by the board of trustees. Community trustees are recruited by invitation from the Chair of the board of trustees or the Headteacher of persons known to the academy trust who are able to benefit the academy trust by their knowledge and expertise. Staff governors are recruited by nomination by all school staff. Parent governors are invited to express an interest in joining the board of trustees and the elected by ballot. Other trustees are recruited by invitation from the Chair of the board of trustees or the Headteacher of persons known to the academy trust who are able to benefit the academy trust by their knowledge and expertise.

All Trustees will complete a skills check assessment to establish their areas of strength to bring to the Trust and also areas that the Trust can help to develop. All Trustees complete a biography, which is shown on the Trust website.

The Trust currently has:

3 Members  
7 Trustees

The term of office for Trustees is 4 years. The Trust has a vacancy for:

1 Member  
1 Trustee



## **The New Guild Trust**

### **Report of the Trustees for the Year Ended 31st August 2020**

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

##### **Organisational structure**

The board of trustees are responsible for the overall strategic direction of the academy trust. The trustees have a duty to act for the fulfilment of the academy trust objectives. They set the strategic direction, and determine the policies and procedures of the academy trust whilst holding each academy within the academy trust to account. The trustees will meet at least three times a year and local governing body committees will report to meetings of the board of trustees throughout the year via the Executive board.

The Accounting Officer/CEO and CFO of the Trust works closely with the leadership teams in each academy. This group of people form the Executive board.

The board of trustees and each academy committee do not exercise a managerial role. The leadership and management across the academy trust is delegated by the board of trustees to the Senior Leadership Team within each academy that make up the Executive board. The Senior Leadership Teams are responsible at an executive level for implementing the policies laid down by the board of trustees and reporting to them through various committees. This includes actions concerning the budget, staffing, and school improvement.

The strategic responsibilities are distributed between the two committees:-

- Standards
- Resources and Audit

The Headteacher at Moorpark is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to designated budget holders within the hierarchy of limits and in accordance with the approved Financial Regulations and Financial Scheme of Delegation

##### **Induction and training of new trustees**

The training and induction of trustees will depend on their existing experience. New trustees will be appointed according to the level of expertise which meets the requirements of the academy trust. Where necessary, training will be given on legal, financial and educational matters. Training on safeguarding and link governor roles is provided through the SGS clerking services that the Trust procure.

A skills audit is performed to allocate the trustees to the committee to which their skills are best suited. The trustees then receive additional training on the responsibilities of being a part of the board of trustees of the academy trust. Trustees are expected to read and understand the memorandum and articles of association and Scheme of Delegation. They will be provided with minutes from previous meetings.

All members and Trustees are required to obtain satisfactory disclosure and barring service check prior to appointment. The Chair of the Trustees will complete an enhanced DBS which is signed by the secretary of state.

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

The arrangements for setting the pay and remuneration of the key management personnel of the academy trust are subject to the 'schoolteachers pay and conditions document and guidance on schoolteachers pay and conditions'. The determination of leadership pay is in line with the school group size and relevant scale points attributed to the group pay range.

Incremental rises are dependent upon the successful completion of the previous years' performance management cycle and quality assured by the Senior Leadership Team within each academy. Recommendations for pay increases are made by the Senior Leadership Team to the academy committee and their decision is validated by the board of trustees at the Autumn term meeting.

##### **Trade union facility time**

This information is published in accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017 because the academy trust had a full-time equivalent employee number of more than 49 throughout the entirety of any seven of the months within the year ended 31st August 2020.

**The New Guild Trust**

**Report of the Trustees  
for the Year Ended 31st August 2020**

**Structure, governance and management**

**Relevant union officials**

<b>Number of employees who were relevant union officials during the relevant period</b>	<b>Full-time equivalent employee number</b>
1	1

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	Nil
1-50%	1
51-99%	Nil
100%	Nil

**Percentage of pay bill spent on facility time**

	<b>£</b>
Total cost of facility time	Nil
Total pay bill	3,727,308

Percentage of the total pay bill spent on facility time calculated as:

$$(\text{total cost of facility time} \div \text{total pay bill}) \times 100 \quad 0\%$$

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

$$(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100 \quad 0\%$$

**Related parties and other connected charities and organisations**

The members, board of trustees, academy committee members and the accounting officer all complete a pecuniary interest declaration on an annual basis. This declaration sets out any relationship with the academy trust that is not directly related to their duties within these roles. Each individual is also required to declare a potential 'conflict of interest' if it arises between such declarations. Once a declaration has been made, the individual concerned takes no further part in any decision relating to the matter declared.

During the year, the Academy has had no related party transactions to report.

**Auditors**

The auditors, Hardings, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9th December 2020 and signed on the board's behalf by:



L Eagle - Trustee

## **The New Guild Trust**

### **Governance Statement for the Year Ended 31st August 2020**

#### **Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that The New Guild 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 of loss.

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

The board of the trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The New Guild 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.

## The New Guild Trust

### Governance Statement for the Year Ended 31st August 2020

#### Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Webster (resigned 1/7/2020)	3	4
L Eagle	4	4
S J Dutton	3	4
P Humphreys	0	4
S Brough	4	4
H Frost	4	4
K Peters	4	4
J N Grindey (appointed 1/7/2020)	1	1
M Robson (resigned 27/11/2019)	0	1
M Bennett (resigned 18/1/2020)	2	3

The Members Board meets once a year and the attendance is as follows: -

Member	Meetings attended	Out of possible
D Webster	1	1
S Brough	1	1
S Kuzubasoglu	1	1

The standards committee is a sub-committee of the main board of trustees. Its purpose is to monitor and evaluate standards and performance of all pupils in the schools. The committee receive reports of monitoring visits including external reviews.

Attendance at meetings in the year was as follows

Member	Meetings attended	Out of possible
S Dutton	2	2
H Frost	1	2
K Peters	2	2

The resource and audit committee is a sub-committee of the main board of trustees. Its purpose is to maintain oversight of the utilisation of financial and other resources across the MAT. The committee also maintains an oversight of the MAT governance, risk management, internal control and value for money framework.

Attendance at meetings in the year was as follows:

Member	Meetings attended	Out of possible
D Webster (Chair of Trust Board - Resigned 1st July 2020)	2	2
L Eagle (Appointed Chair of Trust Board 1st July 2020)	2	2
S Brough (Chair of Resource and Audit)	2	2
P Humphreys	0	2
J Grindey (Appointed 1st July 2020)	1	1
M Bennett (Resigned 18th January 2020)	1	1
M Robson (Resigned 27th November 2019)	0	1
K Peters	2	2
E Searl (in attendance)	2	2

## The New Guild Trust

### Governance Statement for the Year Ended 31st August 2020

#### Review of Value for Money

As accounting officer, the chief executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

Key Area	Resources	Outcome/Impact
Ensuring Budgets are balanced	CFO completes monthly monitoring completed by CFO and reported to CEO and Chair of Trust	Ensuring all schools are sustainable over the medium term.
Grants and Bids	Schools have made a concerted effort to submit applications for grants and alternate sources of funding.	Science grants, SIFF and RAF bids submitted allowing the procurement of educational resources that otherwise would not have been possible.
Inter-academy collaboration and support, particularly in areas of assessment, staff development, recruitment and specialisms such as SENCO	The MAT has invested in training staff as MAPA trainers. SENCO is shared between the Alexandra Infants and Juniors.	This has enabled the trust to effectively train others within the trust rather than purchasing training from other providers which has proven cost effective. Cost effective in using 1 staff member for 2 schools.
Financial Management	Various categories of expenditure have been targeted to achieve a reduction in cost. The MAT's SLA's re-negotiated for Catering, Cleaning, ICT Support services, insurances and finance support services. Option appraisal completed to ensure best value.	Negotiated group discount and economies of scale on annual subscriptions for all schools.

#### 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 New Guild Trust for the period 1st September 2019 to 31st August 2020 and up to the date of approval of the annual report and financial statements.

## **The New Guild Trust**

### **Governance Statement for the Year Ended 31st August 2020**

#### **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 1st September 2019 to 31st 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 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 1st 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 CEO, CFO and academy senior leaders to review financial performance with any issues/ recommendations being presented to governors/Trustees.
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks
- The CFO completes additional peer-to-peer reviews to ensure that financial processes are being adhered to.
- The board of trustees has decided to buy in an internal audit service from Dains Accountants as internal auditor

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of purchase card systems

On a half-yearly basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

All the reviews for 2019-2020 have been reported back to the Trust Board with no areas identified for auctioning. The Trust has obtained a 'clean' audit on all inspections.

## The New Guild Trust

### Governance Statement for the Year Ended 31st August 2020

#### Review of Effectiveness

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

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

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

Approved by order of the members of the board of trustees on 9th December 2020 and signed on its behalf by:



L Eagle - Trustee



K Peters - Accounting Officer

## The New Guild Trust

### Statement on Regularity, Propriety and Compliance for the Year Ended 31st August 2020

As accounting officer of The New Guild 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 2019.

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 2019.

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.



K Peters - Accounting Officer

9th December 2020



## The New Guild Trust

### Statement of Trustees' Responsibilities for the Year Ended 31st August 2020

The trustees (who act as governors of The New Guild Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In so far as the trustees are aware:

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

Approved by order of the board of trustees on 9th December 2020 and signed on its behalf by:



L Eagle - Trustee

## **Report of the Independent Auditors to the Members of The New Guild Trust**

### **Opinion**

We have audited the financial statements of The New Guild Trust (the 'academy trust') for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

### **Basis for opinion**

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

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## Report of the Independent Auditors to the Members of The New Guild Trust

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

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

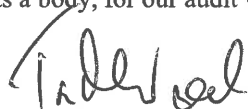
### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Use of our report

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



Timothy McNeal FCA (Senior Statutory Auditor)  
for and on behalf of Hardings  
Chartered Accountants & Statutory Auditor  
6 Marsh Parade  
Newcastle-under-Lyme  
Staffordshire  
ST5 1DU

9th December 2020

## **Independent Reporting Accountant's Assurance Report on Regularity to The New Guild Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The New Guild Trust during the period 1st September 2019 to 31st August 2020 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 New Guild Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The New Guild Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The New Guild Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The New Guild Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The New Guild Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2019, 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 2019 to 2020. 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 1st September 2019 to 31st August 2020 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 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

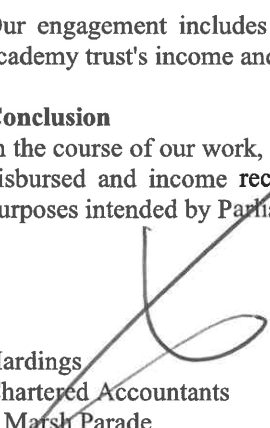
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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.

### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2019 to 31st August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hardings  
Chartered Accountants  
6 Marsh Parade  
Newcastle-under-Lyme  
Staffordshire  
ST5 1DU

9th December 2020

**The New Guild Trust**

**Statement of Financial Activities  
for the Year Ended 31st August 2020**

				31/8/20	31/8/19	
	Notes	Unrestricted £	Restricted £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
<b>Income and endowments from</b>						
Donations and capital grants	2	12,696	1	58,179	70,876	99,040
<b>Charitable activities</b>						
Funding for the academy's educational operations	3	196,561	4,918,889	-	5,115,450	4,919,208
Investment income	4	<u>807</u>	<u>-</u>	<u>-</u>	<u>807</u>	<u>-</u>
<b>Total</b>		210,064	4,918,890	58,179	5,187,133	5,018,248
<b>Expenditure on</b>						
Raising funds	6	-	7,700	-	7,700	3,289
<b>Charitable activities</b>						
Academy's educational operations	7	53,524	5,297,412	155,783	5,506,719	5,175,650
<b>Total</b>	5	<u>53,524</u>	<u>5,305,112</u>	<u>155,783</u>	<u>5,514,419</u>	<u>5,178,939</u>
<b>NET INCOME/(EXPENDITURE)</b>		156,540	(386,222)	(97,604)	(327,286)	(160,691)
Transfers between funds	18	<u>-</u>	<u>58,470</u>	<u>(58,470)</u>	<u>-</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>(127,000)</u>	<u>-</u>	<u>(127,000)</u>	<u>(800,000)</u>
<b>Net movement in funds</b>		156,540	(454,752)	(156,074)	(454,286)	(960,691)
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>		<u>137,063</u>	<u>(2,331,330)</u>	<u>6,785,818</u>	<u>4,591,551</u>	<u>5,552,242</u>
<b>Total funds carried forward</b>		<u>293,603</u>	<u>(2,786,082)</u>	<u>6,629,744</u>	<u>4,137,265</u>	<u>4,591,551</u>

**Continuing operations**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**The New Guild Trust (Registered number: 11185205)**

**Balance Sheet  
31st August 2020**

	Notes	Unrestricted £	Restricted £	Restricted Fixed Asset Fund £	31/8/20 Total funds £	31/8/19 Total funds £
<b>Fixed assets</b>						
Intangible assets	12	-	-	2,757	2,757	6,068
Tangible assets	13	-	-	6,652,866	6,652,866	6,761,416
		-	-	6,655,623	6,655,623	6,767,484
<b>Current assets</b>						
Debtors	14	200	254,893	-	255,093	222,559
Cash at bank and in hand		293,403	266,645	-	560,048	638,225
		293,603	521,538	-	815,141	860,784
<b>Creditors</b>						
Amounts falling due within one year	15	-	(342,618)	(25,881)	(368,499)	(503,717)
<b>Net current assets</b>		<u>293,603</u>	<u>178,918</u>	<u>(25,881)</u>	<u>446,642</u>	<u>357,067</u>
<b>Total assets less current liabilities</b>		293,603	178,918	6,629,742	7,102,265	7,124,551
<b>Pension liability</b>	19	-	(2,965,000)	-	(2,965,000)	(2,533,000)
<b>NET ASSETS</b>		<u>293,603</u>	<u>(2,786,082)</u>	<u>6,629,742</u>	<u>4,137,265</u>	<u>4,591,551</u>
<b>Funds</b>						
Unrestricted funds	18				293,603	137,063
Restricted funds					3,843,662	4,454,488
<b>Total funds</b>					<u>4,137,265</u>	<u>4,591,551</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 9th December 2020 and were signed on its behalf by:



L Eagle - Trustee

The notes form part of these financial statements

**The New Guild Trust**

**Cash Flow Statement  
for the Year Ended 31st August 2020**

	Notes	31/8/20 £	31/8/19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	22	<u>(93,240)</u>	<u>414,795</u>
Net cash (used in)/provided by operating activities		<u>(93,240)</u>	<u>414,795</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(43,923)	(67,995)
Capital grants from DfE/EFA		58,179	88,671
Interest received		<u>807</u>	<u>-</u>
Net cash provided by investing activities		<u>15,063</u>	<u>20,676</u>
		<u>                    </u>	<u>                    </u>
<b>Change in cash and cash equivalents in the reporting period</b>		(78,177)	435,471
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>638,225</u>	<u>202,754</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>560,048</u>	<u>638,225</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31st August 2020**

**1. Accounting policies**

**Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The New Guild Trust meets the definition of a public benefit entity under FRS 102.

**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.

**Critical accounting estimates and areas of judgement**

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

***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 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 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the last actuarial valuation performed at 31st March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

**Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

**Grants**

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

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



**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020**

**1. Accounting policies - continued**

**Grants**

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

**Sponsorship income**

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

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received, and the amount can be measured reliably.

**Agency arrangements**

The academy trust acts as an agent in distributing various grants from varying bodies. Payments received and subsequent disbursements of these grants are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 21.

**Other income**

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

**Donated goods, facilities and services**

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

**Raising funds**

Raising funds includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

**Charitable activities**

Costs of charitable activities are 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.

**Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020**

**1. Accounting policies - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Leasehold land & buildings	- over the expected useful economic life
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

\*Note that no depreciation is charged on any land included above

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances 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.

**Financial instruments**

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

**Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020**

**1. Accounting policies - continued**

**Pension costs and other post-retirement benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 19, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**Liabilities**

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

**2. Donations and capital grants**

	31/8/20	31/8/19
	£	£
Donations	12,697	10,369
Grants	<u>58,179</u>	<u>88,671</u>
	<u>70,876</u>	<u>99,040</u>

Grants received, included in the above, are as follows:

	31/8/20	31/8/19
	£	£
Capital Grant - ESFA	25,735	64,787
Capital Grant - Local Authority	<u>32,444</u>	<u>23,884</u>
	<u>58,179</u>	<u>88,671</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

3. Funding for the academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Catering income	43,624	-	43,624	70,463
Other income	152,937	-	152,937	194,019
Grants	-	4,918,889	4,918,889	4,654,726
	<u>196,561</u>	<u>4,918,889</u>	<u>5,115,450</u>	<u>4,919,208</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
<b>DfE/ESFA revenue grant</b>				
General Annual Grant (GAG)	-	3,719,989	3,719,989	3,531,672
Other DfE/ESFA Grants	-	778,322	778,322	677,034
	-	4,498,311	4,498,311	4,208,706
<b>Other government grant</b>				
Local Authority Grants	-	420,578	420,578	446,020
	-	4,918,889	4,918,889	4,654,726

Included within Other DfE/ESFA grants above is the following:

	31/8/20	31/8/19
Coronavirus Job Retention Scheme	<u>6,759</u>	<u>-</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

4. Investment income

	31/8/20	31/8/19
	£	£
Deposit account interest	<u>807</u>	<u>-</u>

5. Expenditure

	Non-pay expenditure			31/8/20	31/8/19
	Staff costs £	Premises £	Other costs £	Total £	Total £
<b>Raising funds</b>					
<b>Costs of fundraising</b>					
Direct costs	-	-	7,700	7,700	3,289
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	2,898,024	-	196,734	3,094,758	2,964,725
Allocated support costs	<u>864,248</u>	<u>837,883</u>	<u>709,830</u>	<u>2,411,961</u>	<u>2,210,925</u>
	<u>3,762,272</u>	<u>837,883</u>	<u>914,264</u>	<u>5,514,419</u>	<u>5,178,939</u>

Net resources are stated after charging/(crediting):

	31/8/20	31/8/19
	£	£
Auditor's remuneration – audit	9,500	9,500
- other services	4,500	1,000
Amortisation of intangible fixed assets	3,311	3,312
Depreciation - owned assets	39,091	18,574
Depreciation - leasehold assets	<u>113,382</u>	<u>113,356</u>

6. Raising funds

Costs of fundraising

	31/8/20	31/8/19
	£	£
Educational visits	<u>7,700</u>	<u>3,289</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

7. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Direct costs	13,487	3,081,271	3,094,758	2,964,725
Support costs	<u>40,037</u>	<u>2,371,924</u>	<u>2,411,961</u>	<u>2,210,925</u>
	<u>53,524</u>	<u>5,453,195</u>	<u>5,506,719</u>	<u>5,175,650</u>
			31/8/20 Total £	31/8/19 Total £
<b>Analysis of support costs</b>				
Support staff costs			864,248	1,002,340
Technology costs			64,246	65,536
Premises costs			532,883	572,864
Other support costs			595,793	507,988
Governance costs			<u>354,791</u>	<u>62,197</u>
Total support costs			<u>2,411,961</u>	<u>2,210,925</u>

8. Trustees' remuneration and benefits

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

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

	2020	2019
Mrs K Peters		
Remuneration	£65,000 - £70,000	£60,000 - £65,000
Employer's pension contribution	£15,000 - £20,000	£10,000 - £15,000

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st August 2020 nor for the year ended 31st August 2019.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

9. Staff costs

	31/8/20	31/8/19
	£	£
Wages and salaries	2,827,011	2,812,629
Social security costs	237,282	235,201
Operating costs of defined benefit pension schemes	<u>663,015</u>	<u>695,865</u>
	3,727,308	3,743,695
Compensation payments	14,963	-
Staff development and other staff costs	<u>20,001</u>	<u>30,757</u>
	<u><u>3,762,272</u></u>	<u><u>3,774,452</u></u>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31/8/20	31/8/19
Teachers	35	37
Administration and support	112	114
Management	<u>10</u>	<u>11</u>
	<u><u>157</u></u>	<u><u>162</u></u>

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

	31/8/20	31/8/19
£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£80,001 - £90,000	<u>1</u>	<u>1</u>
	<u><u>4</u></u>	<u><u>3</u></u>

The key management personnel of the academy trust comprise of the trustees and the senior management team as listed on page 1. The amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £664,670 (2019: £458,585).

10. Comparatives for the statement of financial activities

	Unrestricted	Restricted	Restricted Fixed Asset Fund	Total funds
	£	£	£	£
<b>Income and endowments from</b>				
Donations and capital grants	10,370	23,883	64,787	99,040
<b>Charitable activities</b>				
Funding for the academy's educational operations	242,123	4,677,085	-	4,919,208
	<u>252,493</u>	<u>4,700,968</u>	<u>64,787</u>	<u>5,018,248</u>
<b>Total</b>	252,493	4,700,968	64,787	5,018,248
<b>Expenditure on</b>				
Raising funds	-	3,289	-	3,289

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

10. Comparatives for the statement of financial activities - continued

	Unrestricted £	Restricted £	Restricted Fixed Asset Fund £	Total funds £
<b>Charitable activities</b>				
Academy's educational operations	139,032	4,901,376	135,242	5,175,650
<b>Total</b>	<u>139,032</u>	<u>4,904,665</u>	<u>135,242</u>	<u>5,178,939</u>
<b>NET INCOME/(EXPENDITURE)</b>	113,461	(203,697)	(70,455)	(160,691)
<b>Transfers between funds</b>	<u>(119,187)</u>	<u>97,645</u>	<u>21,542</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(800,000)</u>	<u>-</u>	<u>(800,000)</u>
<b>Net movement in funds</b>	(5,726)	(906,052)	(48,913)	(960,691)
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>	142,790	(1,425,279)	6,834,731	5,552,242
<b>Total funds carried forward</b>	<u><u>137,064</u></u>	<u><u>(2,331,331)</u></u>	<u><u>6,785,818</u></u>	<u><u>4,591,551</u></u>

11. Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

12. Intangible fixed assets

	Computer software £
<b>Cost</b>	
At 1st September 2019 and 31st August 2020	<u>9,932</u>
<b>Amortisation</b>	
At 1st September 2019	3,864
Charge for year	<u>3,311</u>
At 31st August 2020	<u>7,175</u>
<b>Net book value</b>	
At 31st August 2020	<u><u>2,757</u></u>
At 31st August 2019	<u><u>6,068</u></u>



Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

13. Tangible fixed assets

	L'hold land/ buildings £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>Cost</b>					
At 1st September 2019	6,792,800	-	48,764	72,682	6,914,246
Additions	-	1,544	20,671	21,708	43,923
At 31st August 2020	<u>6,792,800</u>	<u>1,544</u>	<u>69,435</u>	<u>94,390</u>	<u>6,958,169</u>
<b>Depreciation</b>					
At 1st September 2019	132,249	-	7,178	13,403	152,830
Charge for year	113,356	26	11,074	28,017	152,473
At 31st August 2020	<u>245,605</u>	<u>26</u>	<u>18,252</u>	<u>41,420</u>	<u>305,303</u>
<b>Net book value</b>					
At 31st August 2020	<u>6,547,195</u>	<u>1,518</u>	<u>51,183</u>	<u>52,970</u>	<u>6,652,866</u>
At 31st August 2019	<u>6,660,551</u>	<u>-</u>	<u>41,586</u>	<u>59,279</u>	<u>6,761,416</u>

14. Debtors: amounts falling due within one year

	31/8/20 £	31/8/19 £
Trade debtors	750	1,683
Other debtors	159	-
VAT	33,100	35,250
Prepayments and accrued income	<u>221,084</u>	<u>185,626</u>
	<u>255,093</u>	<u>222,559</u>

15. Creditors: amounts falling due within one year

	31/8/20 £	31/8/19 £
Trade creditors	-	114,260
Social security and other taxes	55,292	55,177
Other creditors	107,195	154,114
Accruals and deferred income	<u>206,012</u>	<u>180,166</u>
	<u>368,499</u>	<u>503,717</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

16. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/8/20	31/8/19
	£	£
Within one year	11,071	20,374
Between one and five years	<u>5,101</u>	<u>11,071</u>
	<u>16,172</u>	<u>31,445</u>

17. Members' liability

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

18. Movement in funds

	At 1.9.19	Net movement in funds	Transfers between funds	At 31.8.20
	£	£	£	£
<b>Unrestricted funds</b>				
Unrestricted Funds	137,063	156,540	-	293,603
<b>Restricted funds</b>				
General Annual Grant (GAG)	4,628	6,589	90,397	101,614
Other DfE/ESFA Grants	45,345	26,824	-	72,169
Local Authority Grants	119,770	(114,635)	-	5,135
Pension Deficit	(2,533,000)	(432,000)	-	(2,965,000)
Other	31,927	-	(31,927)	-
Restricted Fixed Asset Funds	<u>6,785,818</u>	<u>(97,604)</u>	<u>(58,470)</u>	<u>6,629,744</u>
	<u>4,454,488</u>	<u>(610,826)</u>	<u>-</u>	<u>3,843,662</u>
<b>TOTAL FUNDS</b>	<u>4,591,551</u>	<u>(454,286)</u>	<u>-</u>	<u>4,137,265</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
Unrestricted Funds	210,064	(53,524)	-	156,540
<b>Restricted funds</b>				
General Annual Grant (GAG)	3,719,989	(3,713,400)	-	6,589
Other DfE/ESFA Grants	778,322	(751,498)	-	26,824
Local Authority Grants	420,579	(535,214)	-	(114,635)
Pension Deficit	-	(305,000)	(127,000)	(432,000)
Restricted Fixed Asset Funds	<u>58,179</u>	<u>(155,783)</u>	<u>-</u>	<u>(97,604)</u>
	<u>4,977,069</u>	<u>(5,460,895)</u>	<u>(127,000)</u>	<u>(610,826)</u>
<b>TOTAL FUNDS</b>	<u>5,187,133</u>	<u>(5,514,419)</u>	<u>(127,000)</u>	<u>(454,286)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

18. Movement in funds - continued

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
<b>Unrestricted funds</b>				
Unrestricted Funds	142,790	113,460	(119,187)	137,063
<b>Restricted funds</b>				
General Annual Grant (GAG)	49,886	(156,790)	111,532	4,628
Other DfE/ESFA Grants	16,247	42,985	(13,887)	45,345
Local Authority Grants	24,525	95,245	-	119,770
Pension Deficit	(1,523,000)	(1,010,000)	-	(2,533,000)
Other	7,063	24,864	-	31,927
Restricted Fixed Asset Funds	<u>6,834,731</u>	<u>(70,455)</u>	<u>21,542</u>	<u>6,785,818</u>
	<u>5,409,452</u>	<u>(1,074,151)</u>	<u>119,187</u>	<u>4,454,488</u>
<b>TOTAL FUNDS</b>	<u>5,552,242</u>	<u>(960,691)</u>	<u>-</u>	<u>4,591,551</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted Funds	252,493	(139,033)	-	113,460
<b>Restricted funds</b>				
General Annual Grant (GAG)	3,531,672	(3,688,462)	-	(156,790)
Other DfE/ESFA Grants	677,034	(634,049)	-	42,985
Local Authority Grants	446,019	(350,774)	-	95,245
Pension Deficit	-	(210,000)	(800,000)	(1,010,000)
Other	46,243	(21,379)	-	24,864
Restricted Fixed Asset Funds	<u>64,787</u>	<u>(135,242)</u>	<u>-</u>	<u>(70,455)</u>
	<u>4,765,755</u>	<u>(5,039,906)</u>	<u>(800,000)</u>	<u>(1,074,151)</u>
<b>TOTAL FUNDS</b>	<u>5,018,248</u>	<u>(5,178,939)</u>	<u>(800,000)</u>	<u>(960,691)</u>

**Purposes of unrestricted funds**

Included in unrestricted funds is income from outsourcing of staff and other income generated from the other small donations, etc. which carry no specific restrictions. These funds are available for the Academy Trust to use as deemed appropriate.

**Purposes of restricted funds**

The General Annual Grant represents the grant funding received from the ESFA in order to cover the on-going costs of the 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 at 31st August 2020.

Other DfE/ESFA grants received include amounts to cover pupil premium and universal infant free school meals.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

18. Movement in funds - continued

Local Authority grants include early years funding as well as funding to support children with special education needs and additional pupil premium.

**Purposes of restricted fixed assets funds**

The restricted fixed assets funds reflects resources received by the academy trust to acquire assets for continuing use and furtherance of the trust's aims and objectives. Resources expended reflect the associated depreciation charges as set out on the accounting policies.

**Analysis of academies by fund balance**

Fund balances at 31st August 2020 were allocated as follows:

	31/8/20 £	31/8/19 £
Moorpark Junior School	171,647	159,059
Jackfield Infant School	55,636	56,359
Alexandra Junior School	122,232	53,791
Alexandra Infants School	<u>123,006</u>	<u>69,527</u>
Total before fixed assets and pension reserve	472,521	338,736
Restricted fixed asset fund	6,629,744	6,785,818
Pension reserve	(2,965,000)	(2,533,000)
	<u><u>4,137,265</u></u>	<u><u>4,591,554</u></u>

**Analysis of academies by cost**

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

	Teaching/ Ed Support Staff Costs £	Other Support Staff Costs £	Education Supplies £	Other Costs (ex Dep) £	Total £
Moorpark Junior School	810,209	240,117	85,531	321,187	1,457,044
Jackfield Infant School	715,892	250,759	30,587	287,860	1,285,098
Alexandra Junior School	737,377	222,276	64,533	244,148	1,268,334
Alexandra Infants School	634,545	151,097	23,782	233,734	1,043,158
	<u><u>2,898,023</u></u>	<u><u>864,249</u></u>	<u><u>204,433</u></u>	<u><u>1,086,929</u></u>	<u><u>5,053,634</u></u>
<b>Academy Trust</b>					

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020**

**19. Pension and similar obligations**

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

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

Contributions amounting to £70,844 were payable to the schemes at 31st August 2020 (2019: £62,782) and are included within creditors.

**Teachers' pension scheme**

**Introduction**

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

The TPS is an unfunded scheme to which both 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 pension costs paid to TPS in the period amounted to £354,652 (2019: £243,768).

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

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31st August 2020 was £380,000 (2019: £353,000), of which employer's contributions totalled £309,000 (2019: £285,000) and employees' contributions totalled £71,000 (2019: £68,000). The agreed contribution rates for future years are 22% for employers and 5.5% to 12.5% for employees.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

19. Pension and similar obligations - continued

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 18th July 2013.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31/8/20 £	31/8/19 £
Present value of funded obligations	(5,583,000)	(4,815,000)
Fair value of plan assets	<u>2,618,000</u>	<u>2,282,000</u>
	(2,965,000)	(2,533,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(2,965,000)</u>	<u>(2,533,000)</u>
Net liability	<u>(2,965,000)</u>	<u>(2,533,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	31/8/20 £	31/8/19 £
Current service cost	563,000	421,000
Net interest from net defined benefit asset/liability	98,000	100,000
Past service cost	<u>-</u>	<u>29,000</u>
	<u>661,000</u>	<u>550,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

19. Pension and similar obligations - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Opening defined benefit obligation	4,815,000	3,328,000
Current service cost	563,000	421,000
Past service cost	-	29,000
Contributions by scheme participants	71,000	68,000
Interest cost	98,000	100,000
Benefits paid	(18,000)	-
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(92,000)	(273,000)
Actuarial (gains)/losses from changes in financial assumptions	157,000	1,142,000
Oblig other remeasurement	(11,000)	-
	<u>5,583,000</u>	<u>4,815,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Opening fair value of scheme assets	2,282,000	1,805,000
Contributions by employer	309,000	285,000
Contributions by scheme participants	71,000	68,000
Interest income	47,000	55,000
Benefits paid	(18,000)	-
Return on plan assets (excluding interest income)	(73,000)	69,000
	<u>2,618,000</u>	<u>2,282,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	92,000	273,000
Actuarial (gains)/losses from changes in financial assumptions	(157,000)	(1,142,000)
Oblig other remeasurement	11,000	-
Return on plan assets (excluding interest income)	(73,000)	69,000
	<u>(127,000)</u>	<u>(800,000)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020

19. Pension and similar obligations - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Equities	1,780,240	1,551,760
Bonds	523,600	502,040
Cash	104,720	45,640
Property	209,440	182,560
	<u>2,618,000</u>	<u>2,282,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31/8/20	31/8/19
Discount rate	1.70%	1.90%
Future salary increases	2.60%	2.70%
Future pension increases	2.20%	2.30%

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

	At 31/8/20	At 31/8/19
Retiring today		
Males	21.2	21.1
Females	23.6	23.5
Retiring in 20 years		
Males	22.1	22.2
Females	25.00	24.8

Sensitivity Analysis

Change in assumption as at:	Approx. monetary amount	
	31/8/20	31/8/19
0.5% decrease in Real Discount Rate	£856,000	£739,000
0.5% increase in Salary Increase Rate	£142,000	£148,000
0.5% increase in Pension Increase Rate	£695,000	£573,000

20. Related party disclosures

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.

No related party transactions took place during the year.



**The New Guild Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2020**

**21. Agency arrangements**

The academy trust distributes Science grants, National College for Teaching and Leadership grants and Opportunity Area grants to schools as an agent for various bodies. In the accounting period ended 31 August 2020 the academy trust received £171,019 (2019: £111,602) and disbursed £135,570 (2019: £20,457) from these grants. An amount of £35,449 (2019: £91,145) is included in other creditors relating to undistributed funds

**22. Reconciliation of net expenditure to net cash flow from operating activities**

	31/8/20 £	31/8/19 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(273,665)	(160,691)
<b>Adjustments for:</b>		
Depreciation charges	155,783	135,242
Capital grants from DfE/ESFA	(58,179)	(88,671)
Interest received	(807)	-
(Increase)/decrease in debtors	(32,533)	53,859
(Decrease)/increase in creditors	(188,839)	265,056
Difference between pension charge and cash contributions	<u>305,000</u>	<u>210,000</u>
<b>Net cash (used in)/provided by operations</b>	<u>(93,240)</u>	<u>414,795</u>

**23. Analysis of changes in net funds**

	At 1.9.19 £	Cash flow £	At 31.8.20 £
<b>Net cash</b>			
Cash at bank and in hand	<u>638,225</u>	<u>(78,177)</u>	<u>560,048</u>
	<u>638,225</u>	<u>(78,177)</u>	<u>560,048</u>
<b>Total</b>	<u>638,225</u>	<u>(78,177)</u>	<u>560,048</u>