

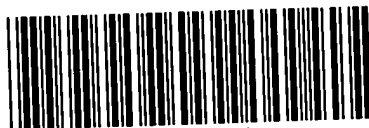
Company registration number (England & Wales): 08464996

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Members	Peter Maxwell Paul Evans Alex Hughes Brian Atling The Diocese of Ely Educational Trust
Trustees	Peter Maxwell (Chair) Andrew Read Adrian Ball Mike Banyard John Bradshaw David Bridges Keith Carne Wendy Garrard Alex Hughes Helen Jackson David Lee (Resigned 30 July 2020) Robert Skelton Hilary Wright Mike Younger
Company registered number	08464996
Company Name	The Diocese of Ely Multi Academy Trust
Registered office	Bishop Woodford House, Barton Road Ely, Cambridgeshire, CB7 4DX
Company Secretary	Annabelle Evans
Chief Executive Officer	Adrian Ball
Senior Management Team Chief Operating Officer Director of Education Director of Inclusion and Safeguarding School Performance Directors	Alexandra Duffety Catherine Lock Amy Weaver David Barrett Claire Grey
Independent Auditor	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Bankers	Lloyds Bank Minister Place Ely, CB7 4EN
Solicitors	Mills & Reeve Botanic House 100 Hills Road Cambridge, CB2 1PH

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of The Diocese of Ely Multi-Academy Trust (DEMAT) for the period from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

DEMAT was established in March 2013. It oversees the development of Church of England & community academies within the Diocesan area, which extends throughout Cambridgeshire, part of Peterborough, part of West Norfolk and Suffolk. The Trust operates 39 academies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

DEMAT is a company limited by guarantee and an exempt charity. DEMAT's memorandum and articles of association are the primary governing documents of DEMAT.

The trustees of DEMAT are also the directors of the Company for the purposes of company law. Details of the trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Company undertakes to contribute to the assets of the 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

Employees and trustees are covered by professional indemnity insurance for failings arising from the performance of their duties that may lead to civil liability. There are no other specific third-party indemnities beyond this, which require reporting in the context of section 236 of the Companies Act 2006.

Method of Recruitment and Appointment or Election of Trustees

The members appoint trustees, paying attention to the skills and expertise required to set the strategic direction of the Trust and to ensure that the Trust meets all its statutory obligations as set out in the Academies Financial Handbook, which is published by the Education and Skills Funding Agency.

Policies and Procedures Adopted for the Induction and Training of Trustees

A comprehensive training and induction programme is provided for all trustees and governors of Local Governing Bodies. Governor training is provided by sector specialists.

All trustees are provided access to policies, procedures, terms of reference of trust committees, minutes, budget plans and other documents that they need to undertake their roles as trustees in line with the scheme of delegation.

Organisational Structure

The organisational structure of DEMAT consists of the following:

- The Trust Board (thirteen directors).
- Local Governing Bodies for each school.
- Committees of the Trust Board, including Finance and Estates, Personnel, Standards and Ethos, Audit & Risk and Remuneration.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

The Trust Board meets at least three times per year and is responsible for the overall strategic direction of the Trust and for those statutory duties, which may not be delegated to sub-committees. The Trust Board has a scheme of delegation, which specifies delegated authorities at each level in the organisation. Each committee of the Trust Board meets at least three times per year, with Local Governing Bodies meeting as necessary to effectively carry out the activities delegated to them.

The day-to day management is delegated to the Chief Executive Officer (CEO) of DEMAT. The senior leadership team comprises the CEO, the Chief Operating Officer (COO), Director of Education, Director of Inclusion & Safeguarding and School Performance Directors.

Headteachers and their school-based senior leadership teams meet separately throughout the academic year.

Arrangements for setting pay and remuneration of key management personnel

The responsibility for setting the pay and remuneration of key management personnel sits ultimately with the Board of Trustees, but it is delegated to the Personnel & Remuneration Committees.

Objectives and outcomes are agreed with each member of key management at the beginning of the performance year, regular progress meetings are held to discuss progress against objectives and evaluated at the end of the year. Remuneration is driven by performance against objectives.

Engagement with employees

The Trust believes that its employees are key to achieving the 2025: DEMAT Promise, and as such, a focus on our employees is present in the second core strand of our strategy; Keeping close to the work.

All decisions regarding progression within the organisation are based on merit, with all staff being given appropriate access to training to enable progression. These decisions are reviewed, alongside workforce composition, to ensure equality of opportunity at all levels. Where appropriate, steps will be taken to identify and remove unjustified barriers and meet the specific needs of disadvantaged or under-represented groups.

The Trust conditions of service, benefits and facilities are reviewed regularly to ensure that they are available to all staff who should have access to them and that there are no unlawful obstacles to accessing them.

If any employee is disabled, or becomes disabled, the Trust encourages an open dialogue with any employee, so that they can be supported as appropriate.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Recruitment and selection policies and processes are regularly reviewed to ensure they comply with the Trust equality and diversity principles, ensuring all applicants are treated solely based on their abilities and potential, regardless of race, colour, nationality, ethnic origin, religious or political belief or affiliation, trade union membership, age, gender, gender identity, gender reassignment, marital and civil partnership status, sexual orientation, disability, socio-economic background, or any other inappropriate distinction.

In the year, the Trust has undertaken the following trust-wide activities to engage and communicate with employees;

- Termly JCNC meetings
- Focussed Support/teaching union meetings for specific projects
- Employee survey
- Review of remuneration and pay policies

At each academy, the Trust supports and encourages local union representatives, whole staff briefings and training, in addition to consistent and robust performance management.

Recognising the impact of COVID-19 in the year, the Trust has increased engagement as follows;

- Frequent FAQ updates for staff on advice and guidance
- Additional meetings with Union colleagues to support our risk assessment processes, best practice and implementation.
- Delayed consultation on new operating model from March to September.

Going forward, the Trust is intending to review additional ways it can engage and communicate with employees, but the implementation of the operating model will support this work significantly. The new operating model will see experienced HR Advisors based in hubs, providing on site, contextual support to employees, delivered more quickly than the Trust has been able to under its current structure.

Trade Union Facilities' Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, DEMAT is required to include information in respect of Trade Union Facilities Time.

In the 'reporting period', 1 April 2019 – 31 March 2020, the Trust did not have any employees who were relevant union officials. However, the following information shows how much the Trust bought in to Facilities' buy in time provided by the Local Authority:

Total cost of facility time	£7,976
Total pay bill	£22,258,862
Percentage of the total pay bill	0.04%

Connected Organisations, included Related Party Relationships

The Diocese of Ely Educational Trust (DEET) is, in effect, the shareholding company under which DEMAT operates. It was created by the Ely Diocesan Board of Finance in response to the likelihood of Church schools converting to academies. There are currently four members with representation from the Board of Finance in addition to DEET as a corporate member. The members appoint the directors of DEMAT.

The Diocesan Board of Education is constituted under the Diocesan Board of Education Measure 1991 (as amended). It meets three times a year and receives updates from DEMAT. Two of its members are also directors of DEMAT to ensure continuity and good communication between the two Boards.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES

Our mission is to deliver a high-quality education for children and young people of all faiths and none, that is underpinned by our Christian distinctiveness. This year the Trust developed a new strategic plan, The DEMAT Promise and within that sets out how it is committed to answering the following questions:

- How can the Trust effectively monitor, evaluate, and improve each child's experience of their school life?
- How can the Trust ensure that its staff are enabled to focus on what is important?
- How can the Trust benefit from further strategic alignment across its schools?
- How can the Trust ensure that its schools are able to provide a high-quality education now and into the future?

Our actions are framed through the following core strands of our work.

- *Children are at the heart of all we do:* We believe that every decision should be taken in the best interests of children.
- *Keep close to the work:* We believe that all staff should be enabled to deliver the core purpose of their work without distraction and that leaders, at all levels, empathise with and develop their understanding of what is happening in the classroom.
- *Maintaining a legacy, creating new traditions:* We believe in the importance of continuing the legacy of Anglican Church education, and the need to build new traditions as a DEMAT family.
- *Aspirational, yet sustainable:* We believe it is important to ensure our high aspirations are supported by a sustainable approach to education, finances, and the environment.

Our values reflect how we act throughout the organisation.

- **LOVE**
We engender love and tolerance between and for our staff, pupils and others to foster an inspiring atmosphere of mutual support.
- **COMMUNITY**
We are committed to ensuring our schools are a living part of the community and contribute positively to its needs.
- **RESPECT**
We do everything possible to provide a caring, safe, and secure place for our staff and pupils to be happy and respected in our schools so they may achieve their potential.
- **TRUST**
We acknowledge accountability and responsibility for our actions but ensure that we encourage each other to make brave decisions and then learn from any mistakes.
- **AMBITION**
We are determined that our schools offer a place for the joy of learning, enabling those of all abilities to thrive and go on to lead rewarding lives.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategies and Activities

In the year ending 31st August 2020, DEMAT has faced one of its most challenging years to date yet has continued to grow, not in school numbers but in capacity to improve and support. The effect of the COVID-19 pandemic may have limited the impact of the approaches taken with regards to pupil outcomes but the capacity of the Trust to improve further has grown significantly during this period. The transition of new leadership following the appointment of a full time CEO has brought a fresh perspective to the organisation supported by the established Trust Board. Strategies have included the appointment of a Director of Education and restructure of the Central team, the implementation of a Central hub model for finance and HR operations, and the development of strategic alignment across the schools to accelerate improvements in pupil outcomes.

The following strategies underpinned the 19-20 action plan

1. Ensure that sound financial planning creates a stable environment from which to build educational development strategies over a 3-5yr period.

Progress:

The Trust budgets have demonstrated an improvement on the previous year and demonstrate the Trust is operating a sustainable model of operation which will be further enhanced with the conclusion of the Operating Model restructure in October 2020. A GAG pooling mechanism was developed during the 19-20 academic year for introduction in September 2020.

2. Ensure that the Central structures and resource for educational development are aligned to the needs of the schools and scale of the Trust.

Progress:

The realignment of the existing School Improvement Team to the Education team involved the appointment of new colleagues with track records in delivering improved educational standards in different contexts. The focus of the team moved from a reactive stance to one which prioritises training and development of staff in a sustainable manner.

3. Ensure a greater level of strategic alignment across the Trust's schools to utilise our scale and breadth of expertise.

Progress:

An example of successful alignment is the decision of three quarters of the Trust schools to adopt the SoundsWrite phonics programme rather than continue with their exiting provision, following a number of training activities and debates with senior and curriculum leaders. In addition to curriculum alignment, all of the Trust NQTs in 20-21 will be signed up to a common NQT programme to support them within their own community. The English subject community has been established and provides opportunities for English leads from across the Trust to participate in training, discussion, and debate on curriculum and assessment in English.

4. Develop a Trust strategic plan for delivery between 2020 and 2025.

Progress:

The DEMAT Promise was published at the start of the Summer term 2020 and identifies the key questions the Trust is tasked to answer in its mission to provide a high-quality education to children of all faiths and none. The DEMAT Promise details the outcomes and activities that will be achieved over the 5year period and represents discussions and debate at all levels of the organisation culminating in a truly shared piece of organisational understanding.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

5. Ensure a high level of support for all Trust schools, staff, pupils, and families during the pandemic lockdown (whilst not an original part of the action plan, it became a significant part of our efforts in 19-20)

Progress:

All of the Trust schools remained open throughout the lockdown period providing both remote learning for all pupils and face to face care for those more vulnerable and children of key workers. Our schools supported families with regular safe and well checks, food parcels, and advice and support. The Central Trust team provided additional guidance to supplement and clarify that provided by the DfE along with detailed reviews and approvals of the necessary risk assessments.

Public Benefit

In setting our objectives and planning our activities over the past year, the trustees have considered the Charity Commission's general guidance on public benefit. The trustees are satisfied that due regard has been given to the public benefit guidance published by the Charity Commission, as required by Section 17 of the Charities Act 2011.

The Trust aims to advance for the public benefit of education in the Diocese of Ely. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing schools offering a broad curriculum set within a distinctively Christian context.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Trust academies

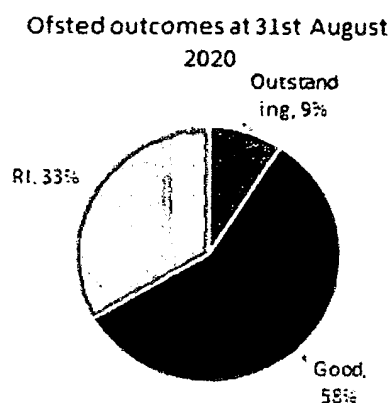
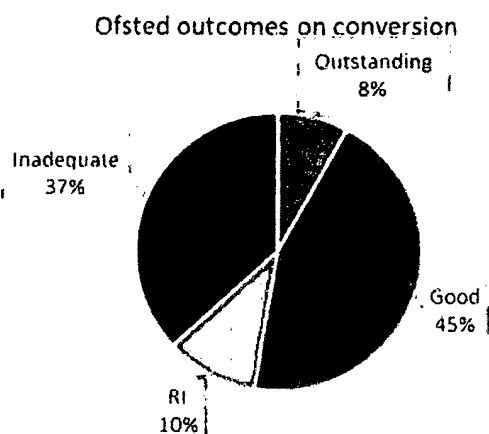
The Trust operates 39 academies across Norfolk, Suffolk, Cambridgeshire, and Peterborough educating 6,800 pupils.

Key successes over the year include

- Establishing our new strategic plan and renewing our vision alongside our values;
- Maintaining educational provision both face to face and remotely across all schools during the first lockdown;
- Establishing the first of our subject communities (English);
- Developing and implementing the Operating Model Review to create hub-based business support functions;
- Establishing a GAG pooling mechanism as part of the 20-21 budget setting process;
- Radical overhaul of our Trust CPD offer in terms of both content and method of delivery to prioritise curriculum and cognitive science through live and recorded virtual training sessions.

Ofsted outcomes

In the accounting period, a total of seven academies were inspected. Two schools were judged to be Good while five were judged to Require Improvement (RI). 67% of DEMAT schools that have been inspected are now rated as Good or better, a significant improvement from when they joined the Trust. Six schools are awaiting their first inspection as an academy within DEMAT.



TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Guilden Morden was judged Good in its first inspection since joining the Trust which is an improvement from the pre-conversion judgement of Special Measures. Guyhirn was inspected as part of a section 8 monitoring inspection and retained its Good judgement.

St Christopher's was judged RI in their first inspection since joining the Trust as a sponsored academy which represents an uplift from their pre-conversion judgement of Special Measures.

Wormegay, William de Yaxley, Norman, and St Peter's were all judged as RI for the second time since joining the Trust. All four of the schools received a greater number of component grades rated as Good than their previous inspection but more work is required at all of them. The inspection reports highlight the importance of developing a sequenced curriculum to support the improvement in pupil outcomes over time.

Pupil attainment and progress outcomes

Unfortunately, due to the COVID-19 pandemic, all national testing was cancelled resulting in no published data for the 2019-2020 academic year. The missed phonics screening test for year 1 pupils will be undertaken in the Autumn term of the 2020-21 academic year.

Leadership

Adrian Ball joined the Trust in September 2019 as the full time CEO. As part of the alignment of the Trust Central Education team to the strategic priorities identified in The DEMAT Promise the following adjustments were made:

- Catherine Lock joined the Central Senior team as Director of Education
- Alexandra Duffety took on expanded role as COO from her previous role as Director of Finance
- The Education team was strengthened by the addition of two School Performance Directors whose responsibilities include providing tailored support and challenge to Headteachers focussed on improving pupil outcomes.

Within the schools, new colleagues were appointed into Headship roles at Guilden Morden and across the Stilton & Holme partnership.

Following the resignation of the Headteacher at Swaffham Bulbeck a new partnership was formed with the Head of Swaffham Prior taking on an Executive position across both Swaffham Prior and Swaffham Bulbeck and the two governing bodies merging to form a single body working to the benefit of both schools.

Governance

The strength of governance at both Trust and local level is secure and has been recognised by Ofsted in most recent reports. Governance remains a key focus for the Trust to secure sustainable standards of support and challenge for our schools. An external review of the perceptions of governance took place in 19-20 and supported the changes made to the Scheme of Delegation and terms of reference for Trust committees.

Safeguarding

The safety of pupils and staff is of utmost importance to the Trust. Our policies and procedures, implemented across our schools, support colleagues to ensure our pupils are safe. The management and implementation of these procedures is regularly reviewed in each school by an external auditor and has been verified in every Ofsted inspection.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with key stakeholders

The Trust identifies key stakeholder groups at a Trust and academy level and adopts stakeholder management approaches accordingly.

Pupils

In line with the core strands of our work, our academies do a great deal of work engaging with and involving our pupils in the daily routines of academy life. All academies operate pupil councils with representatives from all year groups; in response to demand from pupils and in recognition of the changing world around us, many academies now operate Eco-groups to focus on the response to climate change within the school locality.

The response to the COVID-19 pandemic has increased the number of options available to schools to engage with their pupils. In addition to the focus groups named above, the adoption of online platforms has allowed for greater communication between pupils and school whilst remote learning. As the pandemic passes, the use of these tools for increased communication will remain.

Parents & Carers

All academies have their own ethos, within the wider Trust values, and local parental engagement is key to each Academy's success. This year parental stakeholder engagement has been in the form of traditional parents' evenings, visibility of leaders' and staff at the beginning and end of the school day and encouraging academies to be welcoming environments for parents to enter and discuss their children's education.

In the current year, and reflecting the challenges of COVID-19, academies have engaged in greater, more frequent electronic communication with parents and carers and relevant surveys to understand concerns. Remote learning platforms during lockdown has given the opportunity to engage parents and carers in their children's learning.

Governors and Local Governing Bodies

An independent review was undertaken by CST in the year on Governance across the Trust, reflecting the significant change in scope and scale of the organisation in the preceding three to four years. The Trust recognised that there were some changes that could be made to improve communication and engagement with Governors and Local Governing Bodies. These are;

- Review & revise the Scheme of Delegation
- Governance team established, with clear remit on supporting Governors and local governance across the Trust
- Specific sections on template Local Governing Body agendas to provide feedback to the Trust Board
- Online meetings with CEO and other Central team staff on key issues, both current and going forward
- One to one meetings with the Head of Legal & Governance and Chairs of Governors

Engagement with suppliers

In the year the Trust has centralised invoice and payment processing, this has allowed the Trust to move to receiving electronic invoices only, support a single, weekly payment run and has reduced days to pay by up to 40%.

During the COVID-19 pandemic, the Trust has liaised with large suppliers to ensure they receive payment of invoices in line with the public procurement note, and ensured that smaller suppliers were paid as soon as possible to aid any cash flow difficulties they may have been facing.

The Trust also works closely with key suppliers, and understands that contract management is critical for the success of larger contracts. This takes the form of weekly operational updates and monthly/quarterly strategic and commercial reviews.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

KEY PERFORMANCE INDICATORS

The Trust has developed a series of key indicators at Trust, whole school and individual pupil level, to better analyse real-time and historic performance across regions and within schools. These indicators can also be benchmarked to national performance, as they are designed to easily map onto national measures.

PROMOTING THE SUCCESS OF THE ORGANISATION

The Trust Board believes that the success of the organisation in delivering a high quality of education to all pupils within its academies is served in the following ways;

- Commitment to excellence; the Trust Board ensures that the organisation is focussed and committed to supporting its staff to deliver a well-sequenced curriculum rich in content. Further, that colleagues in teaching and support roles are encouraged to look beyond the Trust to expand their own knowledge and expertise.
- Robust, transparent governance at all levels; this ensures that decision-making is challenged robustly, and implications on all key stakeholders, including employees and suppliers have been appropriately considered. It also allows the long-term impact of any such decisions to be assessed.
- Consultation with key stakeholders; in order to understand the perspectives of the wide range of key stakeholders in the organisation, the Trust Board is working to establish sustainable mechanisms to allow a balanced dialogue. This facilitates an understanding by the Board of the impact of its decision-making.
- Conduct across the organisation; the Trust Board believes that clear expectations of conduct are the best way to ensure the Trust maintains its reputation for integrity and fairness. This is best evidenced by the 'DEMAT Principles' contained in the 2025 strategic plan.

GOING CONCERN

After making appropriate enquiries, the Trust Board has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

The net balance sheet deficit principally relates to the local government pension scheme (LGPS) pension deficit of £21,860,000, which is a long-term liability and is not expected to crystallise in the foreseeable future. Excluding the LGPS deficit would give a net balance sheet surplus of £6,264,756.

There are no significant cash commitments or other expenditure outflows planned in the coming year which give rise to material changes to the going concern assumption. Assumptions underpinning income for a primary MAT are consistent and predictable.

For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW

The adjusted operating result for the 2019/2020 financial year is a £489,652 surplus, excluding the fixed asset fund deficit, £780,552, and the additional LGPS charge from actuarial valuation of £2,501,000.

The carried forward reserve on revenue funds is £4,436,727 at 1 September 2020.

The Trust remains committed to prudent financial management, and as such, the majority of academies, twenty-five, achieved an overall surplus for the financial year. A further six academies had an operational surplus but net deficit due to approved reserve spend on specific projects. The remaining eight academies are working with the Trust central team on moving towards ongoing operational sustainability.

Though the Trust works with all academies to ensure they have an overall surplus reserve at the end of each year, there is a minority of academies within the Trust, five, that remain in a net deficit, and are discussed in more detail at note 17. The Trust continues to provide ongoing support to these academies to establish their financial and educational sustainability.

The deficit of £780,552 on restricted fixed asset funds is a recognition of the Trust embarking upon a capital improvement programme to address the backlog of capital works required on its academy sites. These works predominantly relate to the condition of academy sites pre-conversion. This also reflects that we do not capitalise leasehold improvements, which are a significant proportion of our £942,185 school condition allocations (SCA) spend.

The cash flow of the Trust remains strong. Due to the balanced operating costs and predictable nature of non-staff expenditure cash flows, the Trust retains the majority of its reserve in cash at any one time. This equates to 10% (2019: 8%) of the Trust operating costs and is sufficient to cover any short-term need.

The Trust currently utilises an overnight deposit to generate interest on the capital funds it holds and generates a greater return.

The Trust 3-year budget remains in a net surplus position of £210,000 over the period to 31 August 2023. Trust general reserves at 31 August 2023 are therefore forecast to be £4.617m at 31 August 2023. The assumptions underpinning the budget are based on those taken in recent years, when the Board can demonstrate the Trust generates an operating surplus. As with all Multi Academy Trusts, the Board continues to seek efficiencies and ways to offset increasing cost pressures.

In the year, the Trust has undertaken to restructure its operating model, focusing on finance and HR. This is expected to generate financial savings, but foremost, provide high quality financial and people advice to ensure our academies and their leaders can focus on delivering a high-quality education to our pupils. The new structure will become operational as of 4 January 2021.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Reserves Policy

The Trust's three-year budget has been developed, at both school and shared service level, to ensure that the reserves maintained are appropriate for the size of MAT and associated liabilities. This also covers the use of reserves at an individual school level if it is felt appropriate.

The use of reserves is always consistent with the reserve policy agreed with the Finance & Estates Committee and Trust Board. The Trust holds reserves that are adequate to meet foreseen needs.

The DEMAT reserves deficit is £15,595,244 The restricted reserves deficit is £19,335,338 and incorporates the LGPS deficit of £21,860,000. Excluding the LGPS deficit the restricted reserve would be in surplus of £2,524,662.

The value of the LGPS deficit is £21,860,000. This is not an immediate liability and arises on the valuation of future liabilities for pensions of scheme members. The Trust is required to offer the Local Government Pension Scheme (LGPS) to eligible employees under the terms of its funding agreement. The Trustees monitor the current and future levels of contribution to ensure the Trust can meet any increased contributions as they fall due.

A total of £135,000 of the fixed asset reserve has been designated for capital projects in the next academic year.

The unrestricted reserve of £3,740,094 is allocated to each academy on the basis of the funds transferred on conversion and any further unrestricted reserves they have been able to generate. The Trust does not currently pool unrestricted reserves for general use across the Trust.

Levels of reserves maintained are to ensure ongoing liquidity and ability to meet unforeseen costs as they arise – this is supported by regular cash flow reviews.

Investment Policy

The Trust Board is firmly committed to ensuring that all funds under its control are administered without exposing the Trust to undue risk. As such the Board does not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board. Due to the nature of the funding cycle, the Academy may at times hold large cash balances, which may not be required for immediate use.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the Trust are captured within the Trust's strategic risk register which is organised across 5 core risks as follows:

1. Our ability to respond to the needs of our diverse school profile when delivering a high-quality education.
2. Our ability to provide warm, safe, and secure environments across the Trust estate.
3. Our ability to govern, challenge and secure the continuous improvement of the Trust.
4. Our ability to respond to changes in funding/ expenditure caused by external factors.
5. Our ability to manage growth whilst ensuring standards across the Trust are maintained.

Financial and Risk Management Objectives and Policies

Financial policies and financial risks are reviewed regularly by the Finance and Estates Committee. Budgets are prepared on an annual basis and performance against budget and cash flow forecasts are reviewed regularly. At the year end, the Trust did not have any material liabilities which would have a significant effect on its liquidity.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

FUNDRAISING

The academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. No complaints have been raised.

PLANS FOR FUTURE PERIODS

The Trust will seek to deliver on the detail contained within its strategic plan, The DEMAT Promise. A strong start has been made in 2019/2020 preparing the foundations for more substantive work. Areas of focus in the short term include the embedding of the new Trust Operating model for business support functions; development of additional subject communities; and strengthening of the curriculum and pupil outcomes. In the medium and longer term the Trust is working towards establishing an Inclusion network featuring a range of additional support services for its schools; contributing more widely to developing the quality of education offered in schools outside of the Trust; and continuing to grow where such growth is beneficial to all parties.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)	2,632,340.28
Energy consumption break down	
• Gas (kWh)	1,174,150.72
• Electricity (kWh)	1,363,234.28
• Transport fuel (Miles)	94,955.28
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	19.43
Owned transport – mini-buses	0.03
<u>Total scope 1</u>	19.46
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	28.60
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	1.13
<u>Total gross emissions in metric tonnes CO2e</u>	49.19
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.007

The above figures do not include oil consumption.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites. Two academies within the Trust have installed Solar PV systems and energy efficient lighting.

AUDITORS

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the members of the board of trustees on 21 December 2020 and signed on their behalf, by:


Peter Maxwell
Chair of Trustees


Adrian Ball
Accounting Officer

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Trust Board formally met five times during the year. It is comfortable that the framework of full Board, and sub-committee meetings is enough to maintain robust oversight of the Trust.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell	5	5
Andrew Read	5	5
Adrian Ball	5	5
Mike Banyard	5	5
John Bradshaw	5	5
David Bridges	3	5
Keith Carne	5	5
Wendy Garrard	2	5
Alex Hughes	3	5
Helen Jackson	5	5
David Lee	5	5
Robert Skelton	5	5
Hilary Wright	3	5
Mike Younger	4	5

The Finance and Estates Committee is a sub-committee of the Trust Board. Its purpose is to review and advise the Trust Board on the financial performance of the Trust and the safeguarding and use of its assets.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell	3	3
Andrew Read	3	3
Adrian Ball	3	3
Keith Carne	3	3
John Bradshaw	3	3
David Bridges	3	3
Helen Jackson	3	3

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Standards and Ethos Committee is a sub-committee of the Board. It monitors standards and the performance for each academy and how ethos contributes to establishing a purposeful learning environment which enables, regardless of ability or gender, to make maximum progress in relation to their starting points.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell	3	3
Andrew Read	2	3
Adrian Ball	3	3
Mike Banyard	3	3
David Lee	3	3
Wendy Garrard	2	3
Mike Younger	1	3

The Audit Committee is a sub-committee of the Trust Board. Its purpose is to review and advise the Trust Board on the responsibilities in relation to an entity's financial reporting, internal control system, risk management system and internal and external audit functions.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible -
Peter Maxwell	4	4
Andrew Read	4	4
Adrian Ball	4	4
Mike Banyard	3	4
John Bradshaw	4	4
Helen Jackson	4	4
Robert Skelton	4	4
Mike Younger	4	4

The Personnel Committee is a sub-committee of the Trust Board. Its purpose is to assist and advise the Board on matters relating to the remuneration of Trust personnel and strategic HR direction, in order to motivate and retain Trust staff and ensuring that the Trust is able to attract the best talent.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell	4	4
Andrew Read	2	4
Adrian Ball	4	4
Keith Carne	1	4
Robert Skelton	4	4
Hilary Wright	4	4

The Remuneration Committee is a sub-committee of the Trust Board. Its purpose is to assist and advise the Board on matters relating to the remuneration of senior management personnel. It meets formally once a year, more if required due to senior leader changes. The sub-committee meets in a monitoring and advisory capacity in advising the Trust Board, Personnel Committee and Finance & Estates Committee on remuneration of senior management.

GOVERNANCE STATEMENT (continued)

Review of Value for Money

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

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

- Extended the Group catering contract across a further 7 academies within the Trust
- Implemented pooling of the lump sum across the Trust to allow best use of scale.
- Challenged leaders across the Trust to pursue innovative solutions where vacancies arise, as opposed to replacing like for like
- Undertaken an operating model review to understand how to gain efficiencies whilst improving quality of financial and human resource management.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in DEMAT for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Estates Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- delegation of authority and segregation of duties;
- identification and management of risks.

In the period, the Trust engaged third parties to review its financial and governance operating models. The review of the financial operating model has led to the Trust moving to a hub model for financial and HR support, and aligning its approach to a functional model. In doing this restructure the Trust can make better use of experience and skills within the Trust and ensure standardised approaches to working, overseen by staff with technical expertise in each functional area. This model will be in place from 4 January 2021.

The Trust has been unable to undertake transactional financial control testing due to COVID-19, but has moved to centralised invoice processing (March 2020), electronic approval (within pre-approved system limits) and single Trust payment runs (March 2020). The Board believes this strengthening of the approach to transactional finance has led to improved controls, supported by the improvements in the current year external audit findings when compared with previous periods.

The external review of the Trust Governance structure and approach has led to updates of each Committee's terms of reference, the Trust scheme of delegation and composition of Committee structures. This is to ensure continued appropriate oversight of the activities of the Trust, including the internal scrutiny approach.

The external audit role to provide advice and compliance checks of the system of controls the Trust has in place currently has provided some recommendation which have been considered by the Audit and Finance & Estates Committee. None of these recommendations covered major weaknesses and the external auditors reported that the majority of the recommendations from the previous year have been mitigated.

GOVERNANCE STATEMENT (continued)

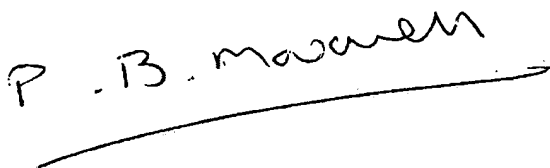
Review of Effectiveness

As Accounting Officer, the Chief Executive Officer 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 external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Estates and Audit & Risk Committees 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 21 December 2020 and signed on their behalf, by:



Peter Maxwell
Chair of Trustees



Adrian Ball
Accounting Officer

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of DEMAT I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 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.



Adrian Ball
Accounting Officer

Date: 21 December 2020

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who act as governors of DEMAT and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 21 December 2020 and signed on its behalf by:


Peter Maxwell
Chair of
Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEMAT

We have audited the financial statements of DEMAT for the year ended 31 August 2020 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEMAT
(CONTINUED)

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

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEMAT
(CONTINUED)

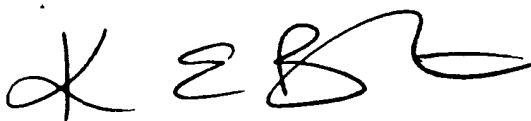
Auditor's responsibilities for the audit of the financial statements

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

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. The description forms part of our Auditor's report.

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members, as a body, 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's members, as a body, for our audit work, for this report, or for the opinion we have formed.



Kathryn Burton (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

22 December 2020

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO DEMAT AND THE
EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 15 October 2019 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 DEMAT during the year 1 September 2019 to 31 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 DEMAT and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Diocese of Ely Multi-Academy 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 DEMAT and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of DEMAT's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of DEMAT's funding agreement with the Secretary of State for Education dated 28 June 2013 (Bury), 1 October 2013 (Stanground), 27 March 2014 (Weeting and Duchy), 30 April 2014 (St Martin), 27 June 2014 (Norman), 30 September 2014 (Runcton Holme, Wormegay and All Saints Academy) 30 October 2014 (Mepal & Witcham and St Peters), 31 October 2014 (William De Yaxley and St Andrews), 30 January 2015 (Ely St Mary) and 26 February 2015 (Anthony Curton, Tilney All Saints, Hilgay, Ten Mile Bank and Marshland St James, St Mary's St Neots), 11 July 2016 (Ermine Street), 9 June 2016 (Guilden Morden and Wisbech St Mary), 31 October 2016 (St Christopher's), 26 April 2017 (Guyhirn), 31 May 2017 (Milton), 30 June 2017 (St John's Huntingdon), 19 December 2017 (Babraham), 25 October 2017 (Elm Church of England Primary School), 31 January 2018 (Farcet Church of England Primary School & Orchards Church of England Primary School), 27 April 2018 (Stilton Church of England Primary School), 28 November 2017 (Thriplow Church of England Primary School), 31 August 2018 (St Botolph's), 29 August 2018 (Swaffham Prior), 27 March 2019 (Holme Church of England Primary School), 26 October 2018 (Swaffham Bulbeck), 28 February 2019 (St Luke's Church of England Primary School), 30 April 2019 (Oakington Church of England Primary School) and the Academies Financial Handbook extant from 1 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 year 1 September 2019 to 31 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.

**The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO DEMAT AND THE
EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

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's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy Trust.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims, credit card statements and debit card payments.
- Review of minutes, bank certificates and related party declarations provided by Governors.

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 year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haysmacintyre LLP

Haysmacintyre LLP

Reporting Accountant

10 Queen Street Place
London
EC4R 1AG

22 December 2020

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Restricted Fixed Asset Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM:						
Donations and capital grants	2	225,910	-	1,165,844	1,391,754	1,622,504
Charitable activities	3	1,000,055	35,213,189	-	36,213,244	34,440,755
Other trading activities	4	443,869	-	-	443,869	716,570
Investments	5	5,352	-	-	5,352	4,966
Funds inherited on conversion		-	-	-	-	397,022
TOTAL INCOME:		1,675,186	35,213,189	1,165,844	38,054,219	37,181,816
EXPENDITURE ON:						
Charitable activities	6	1,386,360	37,409,363	1,946,396	40,742,119	36,929,318
Pension deficit inherited on conversion		-	-	-	-	2,003,000
TOTAL EXPENDITURE		1,386,360	37,409,363	1,946,396	40,742,119	38,932,318
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		288,826	(2,196,174)	(780,552)	(2,687,900)	(1,750,500)
Transfers between Funds	17	-	-	-	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES		288,826	(2,196,174)	(780,552)	(2,687,900)	(1,750,501)
Actuarial gains/(losses) on defined benefit pension schemes	22	-	(104,000)	-	(104,000)	(6,584,000)
NET MOVEMENT IN FUNDS		288,826	(2,300,174)	(780,552)	(2,791,900)	(8,334,500)
RECONCILIATION OF FUNDS:						
Total funds brought forward		3,451,268	(18,863,194)	2,608,581	(12,803,344)	(4,468,844)
TOTAL FUNDS CARRIED FORWARD		3,740,094	(21,773,003)	2,437,665	(15,595,244)	(12,803,344)

The notes on pages 31 to 63 form part of these financial statements.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

REGISTERED NUMBER: 08464996
BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	£	2020	£	£	2019	£
FIXED ASSETS							
Tangible assets	13			936,563			984,933
CURRENT ASSETS							
Debtors	14	1,221,636			1,246,823		
Cash at bank and in hand		6,683,056			6,466,498		
		<u>7,904,692</u>			<u>7,713,322</u>		
CREDITORS: amounts falling due within one year	15	<u>(2,462,814)</u>			<u>(2,119,184)</u>		
NET CURRENT ASSETS				<u>5,441,878</u>			<u>5,594,138</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>6,378,441</u>			<u>6,579,071</u>
CREDITORS: amounts falling due after more than one year	16			<u>(113,685)</u>			<u>(127,415)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES				<u>6,264,756</u>			<u>6,451,656</u>
Defined benefit pension scheme Liability	22			<u>(21,860,000)</u>			<u>(19,255,000)</u>
NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES				<u>(15,595,244)</u>			<u>(12,803,344)</u>
FUNDS OF THE ACADEMY							
Restricted funds	17	696,633			391,807		
Restricted fixed asset funds	17	1,828,030			2,608,581		
		<u>2,524,662</u>			<u>3,000,388</u>		
Restricted funds excluding pension liability							
Pension reserve		<u>(21,860,000)</u>			<u>(19,255,000)</u>		
		<u>(19,335,338)</u>					<u>(16,254,612)</u>
Total restricted funds							
Unrestricted funds	17	3,740,094					3,451,268
TOTAL DEFICIT				<u>(15,595,244)</u>			<u>(12,803,344)</u>

The financial statements were approved by the Trustees, and authorised for issue, on ²¹December 2020 and are signed on their behalf, by:

P. B. Maxwell
Peter Maxwell
Chair of Trustees

The notes on pages 31 to 63 form part of these financial statements.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	19	(592,001)	334,388
Cash flows from investing activities:			
Purchase of tangible fixed assets		(343,555)	(358,096)
Capital grants from DfE/ESFA		1,165,844	1,391,168
Net cash used in investing activities		822,289	1,033,072
Change in cash and cash equivalents in the period		230,288	1,367,460
Cash and cash equivalents brought forward		6,325,391	4,957,931
Cash and cash equivalents carried forward		<u>6,555,679</u>	<u>6,325,391</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

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

1.1 General information

The company is limited by guarantee, incorporated in England and Wales (company number: 08464996). The Company's registered office address is: Bishop Woodford House, Barton Road, Ely, Cambridgeshire, CB7 4DX.

1.2 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

DEMAT constitutes a public benefit entity as defined by FRS 102.

1.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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 operation existence for the foreseeable future and that 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.

1.4 Fund accounting

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.5 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

- **Other Income**

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.6 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

Land and buildings are not recognised by the Trust, capital grants received to cover expenditure on land and buildings are recognised when received and matched to a corresponding grant expenditure to church trustees or other body that holds the land and buildings as a donation and not income from charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	- 20% straight line per annum
Technology & Computer Equipment	- 33.3% straight line per annum

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight-line basis over the lease term.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

1.12 Liabilities and provisions

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

1.13 Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.14 Taxation

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

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

1.15 Pensions

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS"), the Local Government Pension Scheme ("LGPS"), the Church Workers' Pension Scheme ("CWPF") and the NEST Scheme. The TPS & LGPS are defined benefit schemes and the assets are held separately from those of the 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 quadrennial valuations using a prospective unit credit method. As stated in note 22 the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

The CWPF and Nest are defined contribution schemes and the assets are held separately from those of the Trust. Contributions to the CWPF are fixed at 10% of the employees salary, employer contributions to the NEST scheme depend on the employee contributions but the minimum combined contribution is 8%. The amounts charged to the statement of financial activities are the employer contributions for the period are paid to the Scheme in cash.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.16 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 benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The accounting policies have been applied consistently in dealing with items which are considered material in relation to the Academy Trust's financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted	Restricted	Restricted Fixed Asset	Total	Total
	Funds 2020 £	Funds 2020 £	Funds 2020 £	Funds 2020 £	Funds 2019 £
Donations	225,910	-	-	225,910	231,334
Capital Grants	-	-	1,165,844	1,165,844	1,391,168
Total donations and capital grants	225,910	-	1,165,844	1,391,754	1,622,502

In 2019, of the total income from donations and capital grants, £231,334 was to unrestricted funds and £1,391,168 was to restricted fixed asset funds.

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
General Annual Grant (GAG)	-	31,885,558	31,885,558	29,266,244
Local authority grants	-	1,339,415	1,339,415	1,545,678
Pupil premium	-	1,942,270	1,942,270	1,910,874
Educational operations: other income	1,000,555	45,946	1,046,001	1,717,959
	1,000,055	35,213,189	36,213,244	34,440,755

In 2019, of the total income from charitable activities, £1,641,697 was to unrestricted funds and £32,799,058 was to restricted funds.

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Hiring of facilities	74,871	-	74,871	120,612
Other Income	29,246	-	29,246	55,824
Catering income	339,752	-	339,752	540,134
	<u>443,869</u>	<u>-</u>	<u>443,869</u>	<u>716,570</u>

In 2019, all income from other trading activities of £716,570 was to unrestricted funds.

5. INVESTMENT INCOME

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Short term deposits	5,352	-	5,352	4,966

In 2019 all the investment income was to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. CHARITABLE ACTIVITIES

	Total Funds 2020 £	Total Funds 2019 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	18,960,133	17,638,078
National insurance	1,683,298	1,519,722
Pension cost	4,160,597	2,955,917
Educational supplies	1,169,162	1,383,830
Examination Fees	-	237
Staff Development	214,226	177,722
Educational consultancy	260,568	254,233
Other Direct Costs	218,802	441,738
	<u>26,666,786</u>	<u>24,371,477</u>
	Total Funds 2020 £	Total Funds 2019 £
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	4,056,377	3,955,439
National insurance	266,284	250,914
Pension cost	2,881,153	1,744,422
Depreciation	391,925	326,914
DBS Finance Cost	391,182	344,000
Technology costs	472,981	554,313
Recruitment and support	171,048	157,730
Maintenance of premises and equipment	1,934,637	1,196,437
Cleaning	250,786	222,451
Rent & rates	309,892	266,373
Energy costs	487,828	483,768
Insurance	254,898	241,891
Security and transport	25,801	31,153
Catering	1,321,173	1,277,033
Bank interest and charges	9,386	7,976
Other support costs	610,379	1,241,394
	<u>13,835,730</u>	<u>12,302,208</u>
	<u>40,502,516</u>	<u>36,673,685</u>
OTHER ACTIVITIES		
Governance Costs	239,603	255,633
	<u>40,742,119</u>	<u>36,929,318</u>

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. EXPENDITURE

	Staff Costs £	Premises £	Other Costs £	Total 2020 £
Activities:				
Direct costs	24,804,028	-	1,862,758	26,666,786
Support costs	7,203,814	3,442,696	3,189,220	13,835,730
Support costs:				
Governance	-	-	239,603	239,603
	<u>32,007,842</u>	<u>3,442,696</u>	<u>5,291,581</u>	<u>40,742,119</u>

Comparative costs in respect of prior periods

	Staff Costs £	Premises £	Other Costs £	Total 2019 £
Activities:				
Direct costs	22,113,718	-	2,257,760	24,371,478
Support costs	5,950,775	2,562,512	3,788,920	12,848,207
Support costs:				
Governance	-	-	255,633	255,633
	<u>28,064,493</u>	<u>2,562,512</u>	<u>6,302,313</u>	<u>37,475,318</u>

8. NET INCOME /(EXPENDITURE)

	2020 £	2019 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	391,925	326,914
Auditors' remuneration - audit	49,800	49,800
Auditors' remuneration - other services	<u>16,100</u>	<u>16,100</u>

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. STAFF COSTS

	2020	2019
	£	£
Staff costs were as follows:		
Wages and salaries	22,505,740	20,357,008
Social security costs	1,949,582	1,770,636
Operating costs of defined benefit pension schemes	7,041,750	4,700,340
	<u>31,497,072</u>	<u>26,827,984</u>
Supply teacher costs	502,115	1,165,936
Staff restructuring costs	8,655	70,573
	<u>32,007,842</u>	<u>28,064,493</u>

Staff restructuring costs comprise;

	2020	2019
	£	£
Redundancy payments	-	8,467
Severance payments	8,655	62,106
	<u>8,655</u>	<u>70,573</u>

Included in staff restructuring costs is a non-contractual severance payment totaling £8,655 (2019: £62,106).

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

	2020	2019
	No.	No.
Teachers	404	369
Management	6	5
Administration and Support	747	750
	<u>1,157</u>	<u>1,124</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. STAFF COSTS (continued)

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	15	14
In the band £70,001 - £80,000	6	4
In the band £80,001 - £90,000	2	-
In the band £130,000 - £140,000	1	-

Nineteen of the above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2020 employer's pension contributions for these staff amounts to £321,466 (2019: £195,495).

The key management personnel of the academy trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £512,915 (2019: £337,272).

10. CENTRAL SERVICES

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

- Financial services
- Legal services
- Educational support services
- Others as arising

The Trust charges for these services as a flat six percent on the monthly GAG funding received directly at head office. No deductions are taken from Pupil premium, insurance or any other ad hoc funding.

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. CENTRAL SERVICES (continued)

The amounts charged for the year were as follows;

	2020 £	2019 £
All Saints	25,866	24,654
Anthony Curton	45,837	46,631
Babraham	24,833	24,704
Bury	44,082	41,000
St Christopher's CofE Primary School	73,033	69,717
Duchy of Lancaster, Methwold	27,945	25,871
Elm	50,877	52,425
Ely St Marys	90,637	89,380
Ermine Street Church Academy	36,090	31,648
Farcet	31,548	31,786
Guilden Morden	18,371	16,887
Guyhirn	23,979	25,132
Hilgay	19,169	18,023
Holme	27,067	11,315
Marshland	26,779	25,012
Mepal and Witcham	24,213	22,565
Milton	82,116	82,100
The Norman	23,455	23,361
Oakington	32,209	10,728
Orchards Church of England Primary School	114,461	118,554
Runton Holme	15,076	15,304
St Andrews	83,632	87,915
St Botolph's	91,683	91,056
St John's, Huntingdon	88,676	85,577
Stanground St John's	51,869	52,299
St Luke's	46,083	23,958
St Martin at Shouldham	44,623	45,989
St Mary's, St Neots	37,890	38,911
St Peter's	59,613	63,590
Stilton	43,722	43,514
Swaffham Bulbeck	25,013	21,001
Swaffham Prior	27,714	29,052
Ten Mile Bank	11,715	12,403
Thriplow	34,038	33,691
Tilney All Saints	23,996	23,351
Weeting	29,831	34,426
William de Yaxley	46,825	49,747
Wisbech St Mary	45,176	45,087
Wormegay	12,018	12,283
Total	1,661,760	1,600,647

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more 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 role as trustees. The value of trustees' remuneration and other benefits was as follows:

A Ball (staff trustee) FTE equivalent: 1 (2019: .6 FTE)
Remuneration £130,000-£140,000
Employer's pension contributions £5,000 - £10,000

During the year ended 31 August 2020, travel and subsistence expenses totaling £1,201 (2019: £1,100) were paid on behalf of 1 Trustee (2019: 1)

12. TRUSTEES' AND OFFICERS' INSURANCE

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

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. TANGIBLE FIXED ASSETS

	Fixtures and Fittings £	Technology And Computer equipment £	Total £
Cost			
At 1 September 2019	1,125,225	711,090	1,836,315
Additions	124,467	219,088	343,555
Disposals	-	-	-
At 31 August 2020	<u>1,249,692</u>	<u>930,178</u>	<u>2,179,870</u>
Depreciation			
At 1 September 2019	442,477	408,905	851,382
Charge for the year	205,384	186,541	391,925
Disposals	-	-	-
At 31 August 2020	<u>647,861</u>	<u>595,446</u>	<u>1,243,307</u>
Net Book value			
At 31 August 2020	<u>601,831</u>	<u>334,732</u>	<u>936,563</u>
At 31 August 2019	<u>682,748</u>	<u>302,185</u>	<u>984,933</u>

14. DEBTORS

	2020 £	2019 £
Trade debtors	132,015	150,459
Other debtors	37,572	37,603
Prepayments and accrued income	763,432	740,107
Tax recoverable	288,617	318,654
	<u>1,221,636</u>	<u>1,246,823</u>

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Other loans	13,692	13,692
Trade creditors	478,700	842,572
Other taxation and social security	318,343	406,135
Other creditors	626,808	32,130
Accruals and deferred income	1,025,271	824,655
	<u>2,462,814</u>	<u>2,119,184</u>
Deferred income		
Deferred income at 1 September 2019	516,291	572,401
Resources deferred during the year	603,407	516,291
Amounts released from previous years	(516,291)	(572,401)
	<u>603,407</u>	<u>516,291</u>
Deferred income at 31 August 2020	<u>603,407</u>	<u>516,291</u>

Deferred income at the 2020 year end relates to Universal Infant Free School meal grants, Trip income and rates relief for the 2020/21 school year received before the balance sheet date.

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. CREDITORS: Amounts falling due after more than one year

	2020	2019
	£	£
Other loans	113,685	127,415
	<u>113,685</u>	<u>127,415</u>

Included within the above are amounts falling due as follows:

	2020	2019
	£	£
Between two and five years		
Other loans	41,075	42,992
	<u>41,075</u>	<u>42,992</u>
Over five years		
Other loans	72,610	84,423
	<u>72,610</u>	<u>84,423</u>

Creditors include amounts not wholly repayable within 5 years as follows:

Included within the above are amounts falling due as follows:

	2020	2019
	£	£
Repayable by instalments	72,710	84,423
	<u>72,710</u>	<u>84,423</u>

All loan balances are Salix loans for energy improvements, across two schools, All Saints and Milton. They are fully repayable over 4-15 years.

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted Funds						
General Funds	3,451,268	1,675,186	1,386,360	-	-	3,740,094
Restricted Funds						
General Annual						
Grant (GAG)	391,806	31,931,504	31,626,678	-	-	696,632
Pupil Premium	-	1,942,270	1,942,270	-	-	-
Other ESFA Grants	-	-	-	-	-	-
Start up grant	-	-	-	-	-	-
LEA Grant	-	1,339,415	1,339,415	-	-	-
Pension reserve	(19,255,000)	-	2,501,000	-	(104,000)	(21,860,000)
	(18,863,194)	35,213,189	37,409,363	-	(104,000)	(21,163,368)
Restricted fixed asset funds						
Fixed Assets on conversion	82,729	-	-	-	-	82,729
Catering	6,376	-	-	-	-	6,376
DFC	861,509	233,273	-	-	-	1,094,782
SCA	660,330	-	-	-	-	660,330
Other Capital Grants	997,637	932,572	1,946,395	-	-	(16,187)
	2,608,581	1,165,844	1,946,395	-	-	1,828,030
Total restricted Funds	(16,254,612)	36,379,033	39,355,758	-	(104,000)	(19,335,338)
Total of Funds	(12,803,345)	38,054,219	40,742,119	-	(104,000)	(15,595,244)

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. STATEMENT OF FUNDS (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted Funds						
General Funds	2,381,192	2,991,591	(1,921,515)	-	-	3,451,268
Restricted Funds						
General Annual Grant (GAG)	444,004	29,342,506	(29,394,704)	-	-	391,807
Special Educational Projects	-	1,910,874	(1,910,874)	-	-	-
Other ESFA Grants	-	-	-	-	-	-
Start up grant	-	-	-	-	-	-
LEA Grant	-	1,545,678	(1,545,678)	-	-	-
Pension reserve	(9,311,000)	-	(3,360,000)	-	(6,584,000)	(19,255,000)
	<u>(8,866,996)</u>	<u>32,799,058</u>	<u>(36,211,256)</u>	<u>-</u>	<u>(6,584,000)</u>	<u>(18,863,194)</u>
Restricted fixed asset funds						
Fixed Assets on conversion	82,729	-	-	-	-	82,729
Catering	6,376	-	-	-	-	6,376
DFC	363,545	572,374	(74,410)	-	-	861,509
CIF	279,266	779,287	(398,223)	-	-	660,330
Other Capital Grants	1,285,044	39,507	(326,914)	-	-	997,637
	<u>2,016,960</u>	<u>1,391,168</u>	<u>(799,547)</u>	<u>-</u>	<u>-</u>	<u>2,608,581</u>
Total restricted Funds	<u>(6,850,036)</u>	<u>34,190,226</u>	<u>(37,010,803)</u>	<u>-</u>	<u>(6,584,000)</u>	<u>(16,254,612)</u>
Total of Funds	<u>(4,468,844)</u>	<u>37,181,817</u>	<u>(38,932,318)</u>	<u>-</u>	<u>(6,584,000)</u>	<u>(12,803,344)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. STATEMENT OF FUNDS (continued)

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

General Annual Grant - To be used for funding the school operating costs.

Other ESFA Grant - To be used for funding the school operating costs.

LEA Grant - To be used towards the costs of providing special educational needs

Start up grant - To be used towards the legal, professional and other costs of conversion.

Catering - To be used to purchase capital catering equipment for Universal Infant Free School Meals.

DFC - To be used towards capital projects meeting the ESFA's requirements.

SCA - To be used towards capital projects meeting the ESFA's requirements.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2020 were allocated as follows;

	2020 £	2019 £
Bury	240,386	194,918
St Johns, Stanground	216,284	176,679
Duchy of Lancaster, Methwold	77,484	39,799
Weeting	96,275	15,297
St Martin at Shouldham	226,391	258,209
The Norman, Northwold	66,953	(10,235)
All Saints	2,556	8,900
Runcton Holme	(58,119)	(35,309)
Wormegay	(35,692)	(711)
St Peter's	77,813	118,864
Anthony Curton	77,525	47,573
Tilney All Saints	180,689	137,365
William De Yaxley	42,174	70,830
Mepal and Witcham	77,485	69,500
St Andrew's	254,693	207,159
Ely St Marys	328,842	350,186
Marshland St James	147,695	112,885
St Mary St Neots	277,373	270,004
Hilgay	120,312	72,882
Ten Mile Bank	(9,168)	(14,105)
St Christophers	30,433	(69,282)
Ermine Street Church Academy	97,758	54,004
Guilden Morden Primary School	(41,268)	(28,679)
Guyhirn CofE Primary School	291,498	208,399
Milton Primary School	129,876	115,413
St Johns Huntingdon	224,375	183,453
Wisbech St Mary	48,707	36,829
Elm	161,595	81,433
Babraham	14,647	50,672
Farcet	54,945	58,878
Stilton	97,268	63,236
Thriplow	87,891	73,126
Orchards	111,800	218,822
St Botolph's	170,240	131,824
Swaffham Bulbeck	48,298	13,572
Swaffham Prior	76,396	85,246
St Luke's	27,813	25,616
Oakington	28,992	56,525
Holme	(13,484)	49,187
Central Services	380,995	344,111
Total before fixed asset fund and pension reserve	4,436,726	3,843,075
Restricted fixed asset fund	1,828,030	2,608,581

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Pension reserve	(21,860,000)	(19,255,000)
Total:	<u>(15,595,244)</u>	<u>(12,803,344)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. STATEMENT OF FUNDS (continued)

The following academies are carrying a net deficit on their portion of the funds:

Name of academy	Amount of deficit
	£
Runcton Holme	£58,119
Wormegay	£35,692
Ten Mile Bank	£9,168
Guilden Morden	£41,268
Holme	£13,484

Runcton Holme & Wormegay are carrying deficits of £58,119 & £35,692, respectively. The Trust is working with other partners to establish a longer term, sustainable solution.

Ten Mile Bank is carrying a deficit of £9,168, as the academy achieved a £4,973 surplus in the year, this is a reduction on the prior year deficit. The Trust considers this result to reflect that the operations of the academy have stabilised, and will now work with the academy, and its sister academy, Hilgay, to maintain this stability.

Guilden Morden has reduced the number of classes from three to two following a review with the Trust last year to ensure its longer-term viability. The pre-school pipeline is strong, and therefore the expectation is that the academy is now in sustainable structure. The Trust will continue to work with the academy to recruit pupils and return to its previous roll of 85.

Holme is in a partnership with Stilton, and over the period there has been changes in leadership, with a period of interim costs incurred. There is a new Executive Headteacher across the partnership and the Trust expects a return to net surplus budget for Holme & Stilton by the end of the 20/21 academic year.

It is noted that The Norman, Methwold, and St Christopher's have returned to a net reserves surplus in the year, following work from the leaders of the school and Trust central team. This represents an in-year surplus across both academies of £176,904.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and Educational Support staff Costs £	Other support Staff costs £	Educational supplies £	Other costs Excluding Depreciation £	Total 2020 £	Total 2019 £
Bury	554,078	83,185	52,293	106,012	795,568	808,055
St Johns, Stanground	703,140	77,398	78,459	161,402	1,020,399	958,211
Duchy of Lancaster	318,237	86,186	44,343	32,374	481,140	532,940
Weeting	425,081	63,432	24,317	37,193	550,023	678,851
St Martin at Shouldham	809,551	65,666	94,468	125,389	1,095,074	1,070,902
The Norman, Northwold	241,722	87,008	28,616	27,314	384,660	530,121
All Saints	328,736	69,730	66,701	42,267	507,434	534,874
Runcion Holme	203,668	39,893	21,095	59,124	323,780	328,229
Wormegay	200,532	30,321	24,240	35,219	290,312	258,453
St Peter's	868,540	146,090	122,939	143,596	1,281,165	1,322,471
Anthony Curton	589,434	134,429	47,182	97,126	868,171	896,559
Tilney All Saints	283,615	72,143	13,920	40,316	409,994	310,241
William De Yaxley	732,345	98,638	108,209	65,531	1,004,723	1,026,225
Mepal and Witcham	346,708	43,107	37,346	91,178	518,339	457,581
St Andrew's	1,483,558	147,064	96,437	280,133	2,007,192	1,907,602
Ely St Marys	1,348,042	252,783	129,775	179,202	1,909,802	1,880,967
Marshland St James	351,440	66,771	16,781	92,875	527,867	491,100
St Mary St Neots	674,731	47,856	51,811	207,674	982,072	837,187
Hilgay	263,380	45,593	19,374	59,615	387,962	330,222
Ten Mile Bank	172,766	22,800	12,622	38,393	246,581	250,546
St Christopher's	1,054,009	148,355	44,352	168,203	1,414,919	1,408,136
Ermine Street	582,729	73,320	69,172	133,380	858,601	700,009
Guilden Morden	261,497	85,804	25,316	51,484	424,101	427,166
Guyhirn	368,366	37,842	61,288	62,990	530,486	495,516
Milton	1,205,556	94,022	74,518	256,818	1,630,914	1,623,513
St John's Huntingdon	1,358,014	150,205	82,787	207,010	1,798,016	1,665,576
Wisbech St Mary	790,715	116,229	45,795	141,704	1,094,443	983,812
Elm	690,689	169,094	110,018	103,278	1,073,079	1,068,795
Babraham	366,260	47,970	23,633	70,089	507,952	445,068
Farcet	444,670	82,109	44,019	83,700	654,498	652,916
Stilton	631,136	89,710	44,220	97,436	862,502	943,255
Thriplow	441,262	52,141	40,253	81,566	615,222	623,187

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Orchards	1,932,092	304,185	123,624	321,620	2,681,521	2,425,889
St Botolph's	1,254,659	361,957	55,260	180,439	1,852,315	1,864,129
Swaffham Bulbeck	387,515	24,686	19,408	63,913	495,522	453,382
Swaffham Prior	454,370	64,099	22,307	70,602	611,378	569,139
St Luke's	741,215	76,429	65,225	154,888	1,037,757	549,575
Oakington	540,528	61,249	30,362	102,931	735,070	248,114
Holme	393,137	87,756	27,249	81,527	589,669	273,858
Central Services	32,504	3,370,360	121,174	1,765,933	5,289,971	3,770,032
	<u>24,830,227</u>	<u>7,177,615</u>	<u>2,220,908</u>	<u>6,121,444</u>	<u>40,350,194</u>	<u>36,602,404</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Restricted fixed asset funds 2020 £	Total Funds 2020 £
Tangible Fixed Assets	-	-	936,563	936,563
Current Assets	3,725,827	3,287,399	891,466	7,713,322
Creditors due within one year	14,267	(2,477,081)	-	(2,462,814)
Creditors due in more than one year	-	(113,685)	-	(113,685)
Pension scheme liability	-	(21,860,000)	-	(21,860,000)
	<u>3,740,094</u>	<u>(21,163,367)</u>	<u>1,828,030</u>	<u>(15,595,244)</u>

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

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Restricted fixed asset funds 2019 £	Total Funds 2019 £
Tangible Fixed Assets	-	-	984,933	984,933
Current Assets	3,451,268	2,638,406	1,623,648	7,713,322
Creditors due within one year	-	(2,119,184)	-	(2,119,184)
Creditors due in more than one year	-	(127,415)	-	(127,415)
Pension scheme liability	-	(19,255,000)	-	(19,255,000)
	<u>3,451,268</u>	<u>(18,863,193)</u>	<u>2,608,581</u>	<u>(12,803,344)</u>

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net expenditure for the year (as per Statement of financial activities)	(2,687,900)	(1,750,000)
Depreciation charges	391,925	326,914
Decrease/ (Increase) in debtors	25,188	(319,218)
(Decrease) Increase in creditors	343,630	108,361
Defined benefit pension scheme adjustments	2,501,000	3,360,000
Capital grants from the DfE & other capital monies	(1,165,844)	(1,391,168)
Net cash provided by operating activities	(592,001)	334,389

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash in hand	6,683,056	6,466,498
Debts due within 1 year	(13,692)	(13,692)
Debts due in more than 1 year	(113,725)	(127,415)
	6,555,639	6,325,391

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. CAPITAL COMMITMENTS

At 31 August 2020 the academy had capital commitments as follows:

	2020	2019
	£	£
Contracted for but not provided in these financial statements	<u>135,000</u>	<u>101,000</u>

22. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: The Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Norfolk County Council and Cambridgeshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

A smaller number of staff belong to the Church Workers Pension Fund (CWPF) which is managed by the Church of England's Pension Board.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012, of the LGPS 31 March 2016 and of the CWPF 31 December 2013.

There were outstanding contributions of £518,579 (2019: £nil) at the end of the financial year.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £3,046,893 (2019 - £1,908,816).

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 a multi-employer pension scheme. The 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £2,220,000 (2019 - £2,098,000), of which employer's contributions totaled £1,768,000 (2019 - £1,676,000) and employees' contributions totaled £452,000 (2019 - £422,000). The agreed contribution rates for future years are 23% for employers and 5.5- 8.5% for employees.

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

Principal actuarial assumptions:

	2020	2019
Discount rate for scheme liabilities	1.9%	1.9%
Rate of increase in salaries	2.8%	2.6%
Rate of increase for pensions in payment /inflation	2.0%	2.5%

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

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

	2020	2019
Retiring today		
Males	21.9	21.6
Females	24.0	23.8
Retiring in 30 years		
Males	22.7	22.9
Females	25.5	25.4

Sensitivity analysis

	2020	2019
		£
0.5% decrease in real discount rate	4,891,000	4,851,000
0.5% increase in Salary increase rate	359,000	701,000
0.5% increase in Pension increase rate	4,457,000	4,045,000

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

	Fair value at 31 August 2020 £	Fair value at 31 August 2019 £
Equities	10,074,000	8,823,000
Debt instruments	4,052,000	3,854,000
Property	1,970,000	2,282,000
Cash	732,000	253,000
	<u>16,828,000</u>	<u>15,212,000</u>

The actual return/(loss) on scheme assets was a loss of (£594,000) (2019 – £322,000)

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2020 £	2019 £
Current service cost (net of employee contributions)	(3,881,000)	(2,689,000)
Net interest cost	(388,000)	(344,000)
Total	(4,269,000)	(3,033,000)
Actual return on scheme assets	(594,000)	322,000

Movements in the present value of the defined benefit obligation were as follows:

	2020 £	2019 £
Opening defined benefit obligation	34,578,000	19,759,000
Current service cost	3,881,000	2,689,000
Interest cost	692,000	712,000
Contributions by employees	452,000	422,000
Benefits paid	(490,000)	(94,000)
Actuarial losses/(gains)	(264,000)	6,906,000
Transferred on conversion	-	4,073,000
Closing defined benefit obligation	38,849,000	34,467,000

Movements in the fair value of the academy's share of scheme assets:

	2020 £	2019 £
Opening fair value of scheme assets	15,217,000	10,448,000
Upon conversion	-	2,070,000
Interest income	304,000	368,000
Return on plan assets (excluding net interest on the net defined pension liability)	(594,000)	322,000
Contributions by employer	1,768,000	1,676,000
Contributions by employees	452,000	422,000
Benefits paid	(264,000)	(94,000)
Closing fair value of scheme assets	16,883,000	15,212,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PENSION COMMITMENTS (continued)

Church Workers' Pension Fund

DEMAT participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. DEMAT participates in 'Pension Builder 2014'.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs, £52,632 (2019: £54,216) charged to the Statement of Financial Activities relating to this scheme in the year are contributions payable.

A valuation of the scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, DEMAT could become responsible for paying a share of that employer's pension liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. OPERATING LEASE COMMITMENTS

At 31 August 2020 the total of the Trust's future minimum lease payments under non- cancellable operating leases was:

	2020	2019
	£	£
Amounts payable:		
Within 1 year	19,726	50,054
Between 1 and 5 years	6,288	25,756
	<hr/>	<hr/>
Total	26,014	75,810
	<hr/>	<hr/>

24. RELATED PARTY TRANSACTIONS

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

There have been no related party transactions in the current or prior year to disclose.

25. POST BALANCE SHEET EVENTS

There have been no post balance sheet events to disclose.

26. 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.