

Company Registration Number: 07365748 (England & Wales)

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**TUDOR GRANGE ACADEMIES TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	Dr W P Rock, Chair Prof J M Winterbottom Mr R G Cooper Mrs S Smith Councillor Mrs K Wild
<b>Trustees</b>	Dr W P Rock, Chair <sup>1</sup> M R Edwards Mr W J R George Mrs J A Bexon-Smith <sup>1,2</sup> Mr G Pearce <sup>1,2</sup> Prof J M Winterbottom Mr J R Turner (resigned 9 October 2020) Mr P Slough (appointed 5 November 2019) Mrs J Potter (appointed 1 December 2019) <sup>2</sup>  <sup>1</sup> Chair of Sub-committee <sup>2</sup> Chair of LGB
<b>Company registered number</b>	07365748
<b>Company name</b>	Tudor Grange Academies Trust
<b>Principal and registered office</b>	Tudor Grange Academy Dingle Lane Solihull West Midlands B91 3PD
<b>Senior management team</b>	Mrs C Maclean, Accounting Officer and Chief Executive Officer Mr D Turner, Executive Principal, TGA Kinghurst Mrs S Roach, Executive Principal Mrs C Smith, Principal TGA Solihull Mrs J Bolter, Principal TGA Redditch, and TGPA Meon Vale Mr A Wilkinson, Principal Tudor Grange Samworth Academy Mr D Cleary, Principal Robert Smyth Academy Mrs S Deakin, Executive Principal TGPA St James Mrs C Hatton, Executive Principal Mrs G Duxbury, Principal TGPA Haselor (appointed 1 January 2020) Mr D Butler, Principal TGA Worcester Mrs R Bloomfield, Principal TGPA Yew Tree (appointed 1 April 2020) Mrs J Brant, Director of HR Mrs R Russell, Executive Principal (appointed 1 January 2020) Mr S Groutage, Chief Operating Officer Mr C Key, Chief Finance Officer Miss L Marson, Executive Data Manager Ms C Waterhouse, Executive Trust Lead SENCO and Safeguarding

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Independent auditor** Cooper Parry Group Limited  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

**Bankers** Lloyds Bank PLC  
2nd Floor  
125 Colmore Row  
Birmingham  
B3 3SF

**TUDOR GRANGE ACADEMIES TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 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.

Tudor Grange Academies Trust operates 2 primary schools in Solihull, 1 in Haselor, 1 primary free school in Meon Vale, 2 secondary schools in Solihull, 2 in Worcester, 1 in Leicester and 1 all through school in Leicester. The Trust's schools have a combined pupil capacity of 8,595 and had a roll of 6,516 in the school census in October 2019.

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

#### **Constitution**

The Charitable Trust is a company limited by guarantee and an exempt charity.

The Company's Memorandum and Articles of Association are the primary governing documents of the Charitable Trust.

The Trustees of Tudor Grange Academies Trust are also the directors of the charitable company for the purposes of company law.

The Company is known as Tudor Grange Academies Trust (the Charitable Trust).

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details.

#### **Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

#### **Trustees' indemnities**

The Charitable Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects members, trustees, local governing body members and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business, and provides cover up to £10,000,000.

#### **Organisational Structure**

The Charitable Trust is constituted as a Multi Academies Trust which has a Multi Academies Trust Board of Directors (the Trust Board) and at each school within the Trust, a Local Governing Body (the LGB). As at 31 August 2020 there were five secondary schools, one all through school and three primary schools and one primary free school within the Charitable Trust. The founding school, Tudor Grange Academy Solihull, has maintained outstanding results as the Charitable Trust has grown and secured an 'outstanding judgment' in all categories during inspection in June 2014.

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

**Structure, governance and management (continued)**

The schools are as follows:

<b>Name</b>	<b>Date Joined</b>	<b>Type</b>
Tudor Grange Academy Solihull (TGA Solihull)	1 October 2010	Secondary
Tudor Grange Primary Academy St. James (TGPA St James)	1 January 2013	Primary
Tudor Grange Primary Academy Haselor (TGPA Haselor)	1 January 2014	Primary
Tudor Grange Academy Redditch (TGA Redditch)	1 April 2014	Secondary
Tudor Grange Academy Worcester (TGA Worcester)	1 September 2009	Secondary
Tudor Grange Samworth Academy (TG Samworth)	1 January 2016	All-through
Robert Smyth Academy (RSA)	1 September 2017	Secondary
Tudor Grange Academy Kingshurst	1 September 2018	Secondary
Tudor Grange Primary Academy Yew Tree (TGPA Yew Tree)	1 September 2019	Primary
Tudor Grange Primary Academy Meon Vale (TGPA Meon Vale)	1 September 2019	Primary Free School

All the above Schools have joined the Charitable Trust's current Master Funding Agreement, operating under individual Supplementary Funding Agreements.

**Principal activity**

The principal activity is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing primary and secondary schools and offering a broad and balanced curriculum. The principal activity of the Charitable Trust is to provide free education for pupils of different abilities between the ages of 3 – 18.

In addition the Trust promotes for the benefit of the communities in which it resides the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of these communities.

**The Trust Board**

The Trust Board shall comprise at a minimum: eight and at a maximum: twelve Trustees. The Chair and Vice Chair shall be appointed by the Trustees each September from among the Trustees, provided this is someone other than an employee of the Charitable Trust. The Trust Board Secretary shall be appointed by the Trustees.

The quorum for each Trust Board shall be one third of those eligible to vote. The Trust Board shall meet as often as is necessary to fulfil its responsibilities and not less than three times in every school year. Minutes of meetings will be recorded by Secretary to the Trust Board in sufficient time for inclusion on the agenda and among the supporting papers for the next meeting of the Trust Board. Decisions may be taken only by Trustees of the Trust Board. Each question shall be determined by a majority of the votes of the Trustees present and voting on the question. Every Trustee shall have one vote. Where necessary, the Chair will have a second or casting vote.

**Method of recruitment and appointment or election of Trustees**

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**Policies and procedures adopted for the induction and training of Trustees and Local Governors**

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the School(s) and a chance to meet staff and pupils, as far as current circumstances allow. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. All new Trustees also have the opportunity to

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

**Structure, governance and management (continued)**

undertake National Governor Association training and all Trustees receive regular updates from The Key. As there are normally a few new Trustee appointments each year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various external organisations as appropriate.

A bespoke governance development program is operated throughout the year which allows Trustees to meet informally as a team for training, so as to keep the Trustees updated on relevant developments impacting on their roles and responsibilities, and to contribute to the strategic leadership and direction of the Trust. The Trust Board has established a governance structure to achieve sufficient yet balanced oversight of leadership across the Charitable Trust.

The Trust Board meets as often as necessary, usually once in each month.

The following decisions are reserved to the Trust Board: to consider any proposals for changes to the status or constitution of the Charitable Trust and its governance structure; to appoint or remove the Chairman and/or Vice Chairman; to appoint the CEO and Clerk to the Board; to approve the Annual Budget; to determine membership, terms of reference and procedures of each sub-committee and the LGB at each school; to appoint or remove the Chair of the sub-committees to the Trust Board; to approve the Scheme of Delegation.

The Trust Board is responsible for establishing clarity of vision and ethos; establishing strategic objectives; overseeing financial performance; adopting an annual plan and medium term budget; approving the statutory accounts; monitoring the Charitable Trust by the use of budgets and other data and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Trust Board has devolved responsibility for education performance, financial management, personnel matters and operations to the 3 sub-committees noted below:

- Education Performance committee
- Finance and Personnel committee
- Operations committee

Each committee has its own terms of reference detailing the responsibilities discharged to it. Decisions reserved for these sub-committees are set out within the Governance section below.

In addition to the above, and independent to the Trust Board is an Audit Committee whose terms of reference are also set out below within the Governance section.

**The Local Governing Body (the LGB)**

The Trust Board has established an LGB for each school. Each LGB focuses upon the functioning of their local school, advising and making recommendations upon the strategic leadership of the school which reflects the views of all stakeholders, ensuring the school remains at the heart of its community.

Each LGB shall comprise at a minimum: 10 members, and at a maximum: 12 members, including: two parents of a pupil at the relevant school (to be elected by the parents of registered pupils of the relevant school), up to two employees at the respective school. The establishment, terms of reference, constitution and membership of each LGB shall be reviewed annually by the Trust Board. The Chair is appointed by the Trust Board each September from among the members of the LGB, provided this is someone other than the Principal at the relevant school. The LGB Clerk shall be appointed by the LGB. The quorum for each LGB shall be one third of those eligible to vote. The LGB shall meet as is necessary to fulfil its responsibilities and not less than once per term. Decisions may be taken only by members of the LGB. Where necessary, the LGB Chair will have a second or casting vote.

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

**Structure, governance and management (continued)**

**School Management**

Secondary and All Through schools: The management structure consists of three levels: the Executive Team the Leadership Team and the College Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Leadership Team comprises a Principal, Associate Principals, College Leaders and senior staff. The Leadership Team is responsible for the day to day operation of each Secondary and All Through school, implementing the policies laid down by the Trustees and reporting back to them. Each Secondary school, and the Secondary Phase of the All Through school, are divided into Colleges, each led by a College Leader. These Colleges are responsible for the delivery of different curriculum areas and the pastoral welfare of students within the College.

Primary schools and Free School: Our Primary schools, and the Primary Phase of the All Through school share a similar management structure of a Principal, referred to as Head of School, supported by other staff within the school who have leadership responsibilities as well as their teaching commitments. The Head of School is responsible for the day to day operation of their school, implementing the policies laid down by the Trustees and reporting back to them. Both Primary schools have an identified Special Educational Needs Coordinator (SENCO) and teachers responsible for the leadership and development of the following themes where applicable: early years provision, literacy, numeracy, special educational needs and disabilities and safeguarding.

**Executive Team**

The Charitable Trust supports each school through the Executive Team, established by the Chief Executive Officer under delegated powers. The Executive Team has wide ranging responsibilities across all Schools for assuring and ensuring educational improvement; it also monitors and supports the work of the Schools to ensure value for money and consistent practice, especially in areas such as procurement, IT, finance, facilities and catering.

The Chief Executive Officer is the Accounting Officer.

It is critical to the future of our Trust that we grow and that we do so sustainably. Adhering to our core values underpins our confidence that we can grow sustainably. We also believe the following characteristics are critical to sustainable growth:

**Building our Governance capacity**

We anticipate the needs of our Trust over the next three years within our medium term strategic plan. The Trust Board, sub-committees and LGBs are expected to regularly undertake skills assessment that highlight skill gaps that need to be addressed in the context of current legislative and future Trust requirements. Gaps are expected to be rectified through either training of the current Trust Directors, for which there is a budget, or by appointing a new Director who possesses the required skills. Trustees and local governors are expected to attend appropriate training. As an independent integrity check, at key intervals the Trust utilises external reviews of its governance process, its policies, its equality and diversity, and its capacity at essential stages of growth.

**Building our school to school support capacity**

The formation of TGAT has allowed us to fully exploit the intellectual capital generated by operating as a group of schools. At each point of growth we have expanded the Executive team, in readiness to support a growing number of schools, through the appointment of Associate Principals, Trust Education Advisors, Trust Subject Lead practitioners and Assessment and Moderation Leads. The Trust website is regularly updated to reflect the growing expertise within the Trust.



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

**Structure, governance and management (continued)**

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider that the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the school in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts (Notes 14 and 33).

The pay of key management personnel is reviewed annually and normally increased in accordance with performance in the year. The Trust operates performance related pay for all staff. The Finance and Personnel Committee oversees the performance appraisal process for all key management personnel in line with the Trust Pay Policy, with reference to published pay scales for both teaching and support staff and to benchmarks against pay levels sourced from independent data and from other Trusts of a similar size. The benchmark is the mid-point of the range paid for similar roles adjusted accordingly to performance achieved and the level of responsibility assigned for degree of challenge and level of responsibility. The Chief Executive Officer is paid within a range of 1:10 with the lowest pay point in the Trust and benchmarked against independently supplied data for similar-sized Trusts.

**Trade union facility time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2019, where a Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The required information is set out below:

**Relevant union officials**

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	5

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	5
1%-50%	-
51%-99%	-
100%	-

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

	£	
Total cost of facility time	-	
Total pay bill	29,714,155	
Percentage of total pay bill spent on facility time	-	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Structure, governance and management (continued)**

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

There are no related parties which either control or significantly influence the decisions and operations of Tudor Grange Academies Trust.

**Engagement with employees (including disabled persons)**

The Trust consults with staff and unions on all matters affecting employment including policies, restructures and growth. Regular bulletins or staff meetings help to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Trust's performance.

The Trust's Performance Management process seeks to work with employees to ensure appropriate training, development and employment opportunities are available to staff. The aim is to support employees to reach their full potential.

All Trust policies and procedures (including those relating to recruitment), are designed to ensure no member of staff suffers discrimination for any protected characteristic including Disability. Where possible, adjustments and adaptations are made to ensure all disabled staff are supported as advised by agencies such as Occupation Health or Access to work. The Trust is committed to ensuring that no employee suffers detriment because of disability with regard to training, career development and promotion.

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

The Trustees have acted in the way which they consider, in good faith, promotes the success of the Trust for the benefit of its pupils and their parents, the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA) as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

**Our educational business relationships and community**

With a highly committed and dedicated workforce, the Trust takes great pride in listening to what our pupils, parents and local community want and continues to strive to provide the level of education outcomes and personal development opportunities that they have come to expect. Each school maintains communication with their respective communities through regular discussions and meetings, social media and correspondence. Correspondence has increased since the initial closure period due to Covid-19 to help ensure all parties continue to be appraised of the impact upon their school from the challenging educational environment; the Trust believes this has led to a continued increase in the awareness of the Trust's overall activities and educational performance.

With respect to suppliers, the Trust's policy for the payment of suppliers is set out in our terms and conditions to which the Trust will abide, provided each supplier performs in accordance with the Trusts' terms. The Trust complies with the Prompt Payment Code (referred to elsewhere in the report).

The Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO emissions throughout its buildings, facilities and operations and this is highlighted below within the Trust's SECR report (referred to elsewhere in the report).

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

**Structure, governance and management (continued)**

**Our stakeholders**

In addition to our pupils, parents, key partners, other suppliers and wider local community, the Trustees also recognise the importance of their relationship with the DfE and the ESFA, as principal funders, regulators and stakeholders. The Trustees are committed to the effective engagement with the DfE and the ESFA (and their representatives) and the Trust recognises that its success depends on the Trustees and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Trust's funding agreement and the Academies Financial Handbook. The Trust works closely with key partners to whom it has outsourced critical support services, being IT, facilities management, capital project management, risk management advice, educational visits management and catering.

During the Trust's preparation for re-opening schools, our key partners for IT, facilities and our risk management advisors were critical in independently advising the Trust on the effectiveness of our schools' risk assessments, helping the Leadership Group prepare for re-opening and following re-opening, performing on site reviews to assess the effectiveness of implementation.

**Our people**

The Trust's key asset is its people. The Trust employs 760 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Trust encourages the involvement of all employees in decision making processes that impact on them directly and further details on our engagement with our people is shown in the "Engagement with Employees (including Disabled Persons)" section of the Trustees' report above.

**Our members**

The Trustees openly engage with our Members through the active involvement of some Members as Trustees and effective dialogue with them including an Annual General Meeting. The Members are actively engaged on critical matters. Members are always welcome to attend Trust Board meetings when Members deem they require more detailed particulars.

**Maintaining a reputation for high standards**

The Trust has been in existence for 11 years, and is committed to continual improvement, which it achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning, both short and medium term. The Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers.

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

**Objectives and activities**

**Objects and aims**

The principal object and activity of the Charitable Trust is the operation of Tudor Grange Academies Trust in order to provide education for pupils of different abilities between the ages of 2 and 18, to advance, for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, managing and developing schools, offering a broad range of curriculum for pupils of different abilities.

The aims of each school during the year ended 31 August 2020 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to fulfil the role of a Teaching School;
- to improve the effectiveness of the Charitable Trust by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended;
- to maintain close links with industry and commerce; and
- to conduct the Charitable Trust's business in accordance with the highest standards of integrity, probity and openness.

**Objectives, strategies and activities**

Over the past five years the Charitable Trust has developed a clear vision for the schools in its care. There is a distinct character within each school:

- the student is at the heart of all decision making;
- teaching and learning is our core business;
- every child deserves an exceptional educational experience, tailored to meet their individual needs;
- we strive for continuous improvement, blending the best of traditional with innovation; and
- we are known for our exceptionally high expectations.

The Charitable Trust's main strategy is to raise standards of achievement through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Charitable Trust is teaching and learning; its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by students.

Currently, the Principals of each of the Schools attend half day Executive meetings on a monthly cycle. These are hosted at Tudor Grange Academy Solihull as a central location or held as a virtual meeting. The Chief Executive Officer chairs the meetings and the Executive Principals, Executive Data Manager, Chief Finance Officer and Chief Operating Officer are also in attendance. Detailed notes of the meeting are made available to the Trust Board so that they may review the training and updates provided for Principals and the wider work of this group.

Key activities which support the main strategic purpose of the Charitable Trust are:

- robust quality assurance processes which are transparent and inform all subsequent actions;
- secure use of data and tracking to measure progress and inform actions and intervention;
- constant review of CPD and training opportunities for staff;
- a structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear; and
- structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

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

**Objectives and activities (continued)**

**Public benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charitable Trust's aims and objectives and in planning its future activities.

The Charitable Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As a Charitable Trust we have a duty to continue to support other schools. During the year we have completed a collaborative project to support twenty other schools in Solihull, this includes LA schools and academies in other Trusts. We continue to provide ad hoc support to many schools requiring guidance on school improvement planning, finance and conversion to Academy status.

**Equality and diversity policy**

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Charitable Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Key priorities for 2020/2021 development plan**

**Priority 1**

To ensure continuous improvement in all academic outcomes across the Trust by:

- Further improving strong curriculum and well-crafted, thoughtfully sequenced learning experiences;
- Further improving the consistency of experience of the curriculum for all children by developing coherent school improvement structures, ensuring curriculum expertise is accessed by all our Trust schools;
- Strengthening a shared understanding of QFT (Quality First Teaching) and enhancing opportunities for school to school support to improve the quality of teaching;
- Working towards a well-crafted three to five-year plan to improve the provision for SEND (special needs and disabilities) and Disadvantaged pupils to be consistently proficient in our schools, focusing on the development of the Trust Moodle VLE and access to high quality resources to support independent learning outside the classroom and quality tuition where this is needed. These key areas for investment will improve access and equity;
- The implementation of a coherent pupil premium strategy, improving Trust-wide reporting and monitoring, schools will be supported in identifying the specific needs of vulnerable pupils and ensuring provision; the allocation of resources will be ambitious and proportionate to need;
- The development of specialisms and bases in our schools to contribute to the LA (Local authority) provision maps;
- Embedding the Thrive approach in our schools to ensure a confident and effective approach to the personal, social, and emotional development of all pupils.

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

**Objectives and activities (continued)**

**Priority 2**

To improve Governance across the Trust by:

- Engaging in a formal external review of governance to obtain an external view on the new structures;
- Developing and establishing stronger understanding of the roles and accountability of executive leaders, implementing a clearer and strong approach to reporting and risk management by further development of the committees of the Trust board;
- Identifying key stakeholders who can contribute to the vision of the Trust; commit time and resource to developing these stakeholder relationships;
- Developing the role and responsibilities of the professional clerk within the Trust, leading to a permanent appointment.

**Priority 3**

To further develop the Trust's recruitment, retention, and talent development approaches, becoming an employer of choice by:

- Developing and executing a strong and coherent vision for talent management of people across the trust, including a programme of development and access to high quality coaching for executive leaders and aspirant executive leaders, and a clear and coherent framework for progression for future leaders;
- Full design and implementation of a co-ordinated Trust approach to the Early-careers framework;
- Developing a clear, transparent framework for career progression routes in the Trust for teaching and non-teaching functions.

**Priority 4**

To continue improve the scalability of the core functions of the Trust by:

- Conducting a self-assessment of the Trust's school improvement model and developing more capacity and efficiency in this function (formalise the school improvement structure as a result of the review, addressing the status of temporary posts, such as the assessment and moderation leads post);
- Embedding of the new MIS (Management Information System) and utilisation of this single source of information to enhance use of data across the Trust. Continue to develop school performance trackers to ensure that we have reporting that is scalable;
- Completing full suite of HR adopted Trust policies and developing an agreed repository for the policies stakeholders need access to;
- Embedding the new Trust catering contractor to improve this function within the Trust;
- Development of a pooled-GAG trust policy, formalising financial decision-making frameworks and processes within the trust; providing clarity about the expectations of the quality of financial leadership;
- Improve and formalise induction arrangements for on-boarding of schools new to the Trust.

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

**Strategic report**

**Achievements and performance**

All Trust Schools complied with national requirements for Centre Assessment Grades submission, which took place as a result of the cancellation of all external assessment during the Covid-19 pandemic. However, as these outcomes are not comparable to previous years or other centres, the final data will not be published by the DfE or the Trust.

Attendance and behaviour data is provided for the period 1 September 2019 to 29 February 2020, the period unaffected by Covid-19 related closures. Figures for the same period in the previous academic year are provided for comparison.

**Key performance indicators**

PRIMARIES	TGPA St James	TGPA Haselor	TGPA Samworth (primary)	TGPA Meon Vale	TGPA Yew Tree	
	2020 (2019)	2020 (2019)	2020 (2019)	2020 (2019)	2020 (2019)	
Number on roll	232 (234)	56 (62)	346 (363)	62 (28)	244 (249)	
Capacity at year end	240	120	480	30	270	
Attendance (YR-6) %	97.3% (96.9%)	97.2% (97.8%)	95.7% (94.3%)	99.1% (NA)	96.2% (95.6%)	
Behaviour (Fixed Term Exclusion Rate)	3.4% (1.2%)	0.0% (0.0%)	7.1% (3.7%)	0.0% (NA)	0.0% (0.0%)	
SECONDARIES	TGA Solihull	TGA Worcester	TGA Redditch	TGA Samworth	Robert Smyth Academy	TGA Kingshurst
	2020 (2019)	2020 (2019)	2020 (2019)	2020 (2019)	2020 (2019)	2020 (2019)
Number on roll	1642 (1611)	1070 (1058)	289 (235)	477 (457)	1025 (885)	1313 (1334)
Capacity at year end	1560	1190	1100	625	1180	1550
Attendance (Y7-11) % Sept - Feb Half Term	95.4% (96.3%)	94.7% (94.9%)	90.1% (93.3%)	93.3% (92.0%)	95.1% (94.96%)	93.8% (93.9%)
Behaviour (Fixed Term Exclusion Rate)	3.4% (2.1%)	3.0% (2.2%)	35.0% (25.7%)	14.7% (21.8%)	3.2% (7.8%)	18.3% (14.0%)

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

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

**Strategic report (continued)**

**Achievements and performance (continued)**

During the period 1 September 2019 to 31 August 2020 there was 1 independent inspection of schools within the Trust:

Inspections from September 2019 to August 31st 2020	School	Inspection Type	Previous designation for overall effectiveness	New designation for overall effectiveness	Stayed same / improved / declined
03/12/2019	Tudor Grange Samworth Academy	Monitoring Visit	Inadequate	Leaders and managers are taking effective action	Stayed Same

Covid-19 control measures affected the Trust's activities adversely during the year. The most significant impacts are cited below.

- No schools have validated examination outcomes for 2020. All secondary schools in the Trust saw improved outcomes at the end of key stage 4 based on Centre Assessed Grades and some calculated grades awarded to students. However, we saw more cautious outcomes for teacher assessment at the end of key stage 2 in our primaries.
- A significant proportion of our students did not engage sufficiently well with the remote learning provision we put in place during the school closure period; this particularly impacted on our ability to sustain the progress of children who are most reliant on schools and their teachers for the support they need.
- The Trust utilised IT refresh funds to fund the purchase of laptops for pupils during the summer term and in preparation for anticipated ongoing disruption in the autumn term, this has negatively impacted the ongoing programme to ensure our IT facilities are robust across the schools.
- To support the development of quality virtual learning materials aligned to the shared curriculum, the central school improvement team was diverted to this task. We were able to implement a new Virtual Learning Environment (VLE) with video lessons for many topics across many subject areas during the summer, and work on this continues. However, diverting staff to this function has negatively impacted on the developmental work that was ongoing to improve curriculum delivery in the classroom, slowing our progress on this to some extent.
- School trips and residential experiences were extremely affected, negatively impacting on the provision for students. Community use of the school premises stopped in March 2020, again curtailing the opportunities for personal development for our own children and for people in our communities. The loss of lettings impacted income in our schools.
- We transferred our catering operation to an outsourced provider in August 2020. COVID-19 control measures negatively impacted on the planned implementation of the new contract severely. The impact of this will be felt in the quality of service we are able to deliver in the autumn term.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2020, the balance of the unrestricted and restricted income reserves was £2,739,033 (2019: £2,973,992). Further details on the level of reserves held by the Trust are set out in the Reserves Policy section below.

The main financial performance indicators are as follows: as the bulk of funding is based on pupil numbers:

- NOR (this is tabulated above by school);
- total staffing costs as a percentage of total income which for 2020 for the Charitable Trust was 79.4% (2019: 79.9%); and the level of cash held and projected to be held on a rolling 12 months basis.

**Going concern**

The Trustees have concluded that the Charitable Trust has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties about the Charitable Trust's ability to continue as a going concern, thus we continue to adopt the going concern basis of accounting in preparing the financial statements.



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

**Strategic report (continued)**

**Financial review**

Covid 19 control measures affected the Trust's financial results adversely during the year. The Trust incurred a net cost of £93,000 arising from the difference between detriment due to the combination from loss of income and certain incremental costs, mitigated by certain cost savings. In addition the Trust incurred an unrecoverable debt of £58,000. The main impacts are cited below.

- Note 5 shows a fall in income year on year associated with catering (£425,000); hire of facilities, (£147,000); and ancillary trading activities, being extended school hours services (£207,000);
- Certain cost savings are also evident within these accounts: Note 9 shows savings year on year associated with educational supplies and services (£211,000); exam fees (£143,000); supply teachers (£141,000); catering related (£209,000); and energy (£55,000);
- Note 10 shows unrecoverable debts of £58,024 incurred due to the lettings agent for the trust entering administration;
- Note 9 shows increases in cleaning costs year on year of £73,000;
- During the period to mid-July the Trust incurred £221,000 costs associated with providing lunch vouchers for pupils all of which were reclaimed from the Government; there is an expectation that similar costs incurred since this period will be reclaimed.

Most of the Charitable Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Charitable Trust also receives grants for fixed assets from the DfE, shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Charitable Trust's accounting policies.

The SOFA reports total incoming resources for the year of £43,631,642 (2019: £40,582,246) excluding funds brought in on conversion) of which £37,981,289 (2019: £34,066,816) was restricted funding received from the DfE, ESFA and other sources, and total resources expended for the year of £44,283,091 (2019: £41,557,287).

Total funds at 31 August 2020 were £69,653,419 (2019: £73,466,744) of which £89,737,386 were restricted fixed asset funds, £2,475,310 were unrestricted funds, negative restricted funds of £22,559,727 (of which £22,823,000 is the LGPS deficits).

Total funds at 31 August 2020, excluding funds related to fixed assets and LGPS were in surplus £2,739,033 (2019: surplus of £2,973,992). These funds are detailed by school at note 21. Total cash balances at 31 August 2020 were £5,442,112 (2019: £5,830,202). At 31 August 2020 the net book value of fixed assets was £89,683,665 (2019: £89,135,485) and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Charitable Trust.

Key financial policies adopted or reviewed during the year include the Charitable Trust's Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board of Trustees, Executive Principal, senior leaders, budget holders and other staff, as well as delegated authority for spending.

Financial and Risk Management Objectives and Policies

The Charitable Trust has agreed a Risk Management Strategy and a Risk Schedule at Trust and school levels. These have been discussed by Trustees and include the financial risks to the Charitable Trust. The schedule and strategy are formally reviewed annually.

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

**Strategic report (continued)**

**Financial review (continued)**

The Trustees have assessed the major risks to which the Charitable Trust is exposed, in particular those relating to finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate cover under a Risk Protection Arrangement. Risks to revenue funding from a falling roll are small, however, the freeze on the Government's overall education budget, and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally at least every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Trust Board meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Charitable Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Trust Board recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 30 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Charitable Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**Reserves policy**

The Trustees review the reserve levels of the Charitable Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of each school, uncertainty over future income streams and other key risks identified during the risk review.

The Trust held fund balances at 31 August 2020 £69,653,419 (2019: £73,466,744) comprising restricted fixed asset funds of £89,737,386 (2019: £89,235,752), restricted income reserves of £263,723 (2019: £262,360), pension deficit of £22,823,000 (2019: £18,743,000) and available unrestricted reserves of £2,475,310 (2019: £2,711,632).

The Finance and Personnel committee has set a strict minimum level for aggregate GAG reserves being 3% of full year Trust income. The Trust is therefore diligent with its financial controls and oversight to balance the immediate expenditure needs with the strategic objectives of the medium term and will flex the level of headroom reserves accordingly. Schools prepare both financial plans for at least the next five years alongside the annual budget, to allow the Trustees to continually monitor the level of available reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no direct impact on the free reserves of the Trust.

**Investment policy**

Due to the nature of the funding, the Charitable Trust may at times hold cash balances surplus to its short term requirements. The Charitable Trust's current policy is to only invest surplus funds in risk free and short term (1 to 3 months) accessible deposit accounts. No other form of investment is authorised. Any change in Policy requires the approval of the Finance and Personnel Committee.

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

**Strategic report (continued)**

**Financial review (continued)**

**Principal risks and uncertainties**

The principal risks and uncertainties facing the Charitable Trust are as follows:

**Financial**

The Charitable Trust has considerable reliance on continued Government funding through the ESFA. In the last year 85.3% (2019: 92.7%) of the Charitable Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management**

The risk in this area arises from potential failure to effectively manage the Charitable Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational**

The continuing success of each school is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees and Local Governors ensure that student success and achievement are closely monitored and reviewed and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

**Safeguarding and child protection**

The Trustees and Executive Team continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing**

The success of each school is reliant on the quality of its staff. The Trustees, Executive Team and Finance and Personnel Committee monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring clear succession planning.

**Fraud and mismanagement of funds**

The Charitable Trust has appointed Internal Auditors to carry out checks on financial systems and records as required by the Charitable Trust's Financial Procedures Manual. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Charitable Trust continues to strengthen its risk management processes, in particular by increasing staff awareness of health and safety risks through Health and Safety Committees, reporting to the Education Performance Committee and Operations Committee. A risk register is maintained, reviewed and updated on a regular basis.

**Fundraising**

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

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

**Streamlined energy and carbon reporting**

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

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	2019/20
Energy consumption used to calculate emissions (kWh)	10,785,745
Energy consumption break down (kWh) (optional):	
▪ gas	6,873,577
▪ electricity	3,740,523
▪ transport fuel	171,645
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>	
Gas consumption	1,264
Owned transport – mini-buses	4
Total Scope 1	1,268
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</b>	
Purchased electricity	872
<b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</b>	
Business travel in employee owned vehicles	39
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>2,179</b>
NOR Census Data October 2019	6,488
<b>Intensity ratio Tonnes CO<sub>2</sub>e per pupil</b>	<b>0.34</b>

**Quantification and reporting methodology**

We have followed the HM Government Environmental Reporting Guidelines: including streamlined energy and carbon reporting guidance, March 2019. We have also used the GHG Reporting Protocol Corporate Standard and the UK Government's 2020 Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

**Measures taken to improve energy efficiency**

Conversion and Refurbishment Projects within the Estate are designed to improve energy efficiency wherever possible and in turn reduce impact on the Environment. These measures encompass diverse projects each of which has resulted in dramatic improvements in Energy Efficiency and running costs. Examples are: Reroofing Programme - Over 3000sq metres of roofing has been replaced with improvements in insulation values from 4.0W/m<sup>2</sup>K to 0.18W/m<sup>2</sup>k. Lighting Programmes - Replacement lighting programmes with latest LED fittings has reduced external lighting levels at TGAS from 8400 watts to 2690 watts total load a load reduction of 65%. Boiler Plant - Changes and upgrades to boiler plant have on average increased plant efficiency by 25%.

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

**Plans for future periods (continued)**

**Plans for future periods**

Each school will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving the school with regard to employment or continuing in training or formal education.

The Trust is currently developing mainstream and specialist autism bases in primary and secondary locations to ensure strong provision for children with special development needs.

Each school continuously strives to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students.

As each school continues to go from strength to strength, each is better able to sustain partnerships with local schools.

**Funds held as custodian on behalf of others**

The Charitable Trust and its Trustees do not act as the custodian Trustees of any other charity.

**Disabled Employee Policy**

We monitor the physical features of our premises to consider whether they might place anyone with a disability at a substantial disadvantage. Where necessary, we will take reasonable steps to improve access.

**Disclosure of information to auditor**

In so far as the Trustees are aware:

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

**Auditor**

The auditors, Cooper Parry Group Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' report, incorporating a strategic report, was approved by order of the Trust Board, as the company directors, on 10 December 2020 and signed on its behalf by:



**Dr W P Rock**  
(Chair of Trustees)

**TUDOR GRANGE ACADEMIES TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

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

The Trust Board has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Tudor Grange Academies Trust 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 has formally met 13 times during the year. The number of meetings increased by 1 on the previous year and all since March 2020 were held either entirely or partially virtually using on line meetings platform; this reflected the impact from the closure due to Covid-19; the need to update the Trust Board on risk assessments and plans for re-opening; and for the need for social distancing.

During the Trust's preparation for re-opening schools, Trustees played a critical role in reviewing each school's risk assessment and reporting back to the Trust Board on their findings, independent to the Leadership Group. These debriefs undoubtedly led to more robust risk assessments being developed. The Trust Board was effective in appointing external technical advisers to support the schools in developing re-opening plans and applying DfE guidance.

Attendance during the year at meetings of the Trust Board was as follows:

Trustee	Meetings attended	Out of a possible
Dr W P Rock (Chair)	13	13
Mr G Pearce	12	13
M R Edwards	11	13
Mr W J R George	11	13
Mrs J A Bexon-Smith	12	13
Prof J M Winterbottom	13	13
Mr J R Turner	9	13
Mr P Slough	8	13
Mrs J Potter	10	13

The Board of Trustees has reviewed the Trust's governance structure during the last 2 years to evaluate its impact and effectiveness. The review was conducted under the leadership of a Trustee with help from the key personnel and external advisers. As a result, three sub-committees were created to enhance the effectiveness of governance and these are described below. The scheme of delegation was also updated to reflect the change in governance structure. This was implemented in January 2020 and then in May 2020 the trust engaged an external adviser to review progress made.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**The Audit Committee (the AC)**

The Audit Committee is an independent committee to the Trust Board. Attendance at meetings in the year was as follows:

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Pearson (Chair)	3	3
Ms L Campbell	3	3
Mr N Rollason (appointed 13 May 2020)	1	1
Mrs R Cotton (appointed 13 May 2020)	1	1

The purpose of the AC is to: direct the Trust's programme of internal scrutiny and reporting to the Trust Board on the adequacy of the Trust's financial and other controls and management of risks; to report its findings annually to the Trust Board and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

The remit of the AC may be summarised as: examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management, ensuring the Trust is complying with the overall requirements for internal scrutiny, as specified in the Academies Financial Handbook; agreeing an annual programme of internal scrutiny with the Trust's internal auditors for checking financial systems, controls, transactions and risks; provide assurance to the Trust Board that risks are being adequately identified and managed ; oversee adequacy and effectiveness of the Trust's systems of internal control and governance processes, securing economy, efficiency and effectiveness; considering the appropriateness of executive action following audit reviews; advising the Trust Board on the appointment, effectiveness, dismissal and remuneration of auditors (both external and internal auditors).

The AC consists of four members. At least one of the members should have relevant financial experience. The Chair of the AC shall be appointed by the Trust Board at the start of the academic year or as required. The Chair of the AC will not be a member of any other sub committee. The AC will be quorate if two members are present. The AC will normally meet at least once per term and not less than twice per year. Each question shall be determined by a majority of the votes of the Members present and voting on the question. Every Member shall have one vote. Where necessary, the Chair will have a second or casting vote.

**Education Performance Committee (EPC)**

The core areas of responsibility for this sub-committee include: ensuring high quality standards of teaching and learning; oversight of the design and quality of the curriculum; oversight of the School Improvement Board; ensuring high quality assurance work in Trust schools; ensuring the Trust identifies and has the capacity to manage centralised disciplined innovation projects that will have the most positive impact; oversight of the provision of effective data; ensuring effective management of pupil premium to improve outcomes for our disadvantaged learners; ensuring high quality behaviour; ensuring adequate safeguarding and personal development.

This committee commenced during the year; typically, there will be at least 3 meetings of this committee in a 12 months period. The EPC commenced meeting in 2020 and attendance was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J A Bexon-Smith (Chair)	1	1
Mr P Slough	1	1
Prof J M Winterbottom	1	1
Mr R Edwards	1	1

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Finance and Personnel Committee (FPC)**

Decisions reserved for this sub-committee are: authorise in conjunction with the Operations Committee the annual capital spend budget; authorise the 5 year plan; advise the Trust Board upon potential transfers into and out of the Trust after considering Trust capacity and effectiveness of due diligence undertaken for prospective transferee schools; review and authorise HR and financial policies; approve the Trust staffing structure; fulfil the functions of the Pay Review Committee in line with the Trust Pay Policy and to approve the Trust Pay Policy; to form an appeal committee when required; advise the Trust Board on succession planning.

This sub-committee enables the Trust Board to establish their own view as to the rigour with which the financial processes referred to in this report are being conducted and upon the overall financial position of the Trust.

This committee commenced during the year; typically, there will be at least 3 meetings of this committee in a 12 months period. Attendance at meetings of the FPC in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Pearce (Chair)	2	2
Mr W J R George	2	2
Mrs J Potter	2	2

**Operations Committee (OC)**

Decisions reserved for this sub-committee are: appoint or remove critical third party service providers for IT, facilities, catering, educational visits and emergency security services; approve IT annual budget including device refresh; approve facilities budget; approve in conjunction with the Financial and Personnel Committee the annual capital spend budget.

This committee commenced during the year; typically, there will be at least 3 meetings of this committee in a 12 months period. Attendance at meetings of the OC in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J R Turner (Chair)	2	2
Dr W P Rock	2	2

**Review of value for money**

We have conducted a review during the year for each school as to how much investment capacity is generated by the Trust compared with each school's investment in the Trust (we refer below to this investment in the Trust as 'top slice'). We have conducted the same review for added value. The table below sets out the results of this review.

Below is a summary showing that for each £1 of top slice paid by each school, the return to each school is, on average, at least £2.43 (2019: £1.86). This return has been generated from

- Formulaic capital grants received by virtue of the Charitable Trust qualifying under defined size thresholds.
- Central procurement contracts negotiated at rates not attainable by single Schools, the principle procurement areas being: IT, professional services and facilities. Since the year end we have commenced a central procurement contract for Catering services.



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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money (continued)**

<b>Aggregate Added Value 2019.20</b>	<b>£k</b>
Top slice charged	1,828
Capital Grants	3,573
Central Procurement savings	703
Other Income generated by trust	174
<b>Value generated by Trust</b>	<b>4,450</b>
<b>£ Value generated : £1 top slice</b>	<b>£ 2.43</b>

The added value excludes any perceived value which Executive team members might bring to schools, in particular the school improvement resources. We believe the above shows strong added value overall as over £2 value is added by the Charitable Trust for each £1 invested in top slice.

We continue to look into all areas for cost savings, including educational resources, waste, support staff recruitment and energy. We benchmark our costs levels with similar schools using ESFA's school resource management benchmarks.

**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 risks to the achievement of Charitable 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 Tudor Grange Academies Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Review of compliance with the Prompt Payment Code**

We support the principles set out within the Prompt Payment Code (PPC): to pay suppliers on time; give clear guidance to suppliers; and encourage good practice. PPC is being increasingly adopted by public sector institutions. To evidence our support we wish to be transparent in disclosing the average time taken to pay our supplier invoices in the last financial year. The PPC encourages payment within a maximum of 60 days (in line with late payment legislation requirements) and to work towards adopting 30 days as the norm. The average time taken by the Charitable Trust to pay our suppliers in the year 1 September 2019 to 31 August 2020 was under 30 days after taking into account direct debits; achieving this period will always be balanced with the need to manage cash flow.

**Capacity to handle risk**

The Trust Board has reviewed the key risks to which the Charitable Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Charitable 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 by the Trust Board.

**The risk and control framework**

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

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**GOVERNANCE STATEMENT (CONTINUED)**

**Capacity to handle risk (continued)**

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

The Trust Board has appointed Academy Advisory as internal auditor. The appointed internal auditor reviewed the following areas during the year:

- Effectiveness of the purchasing ordering
- Review of Management Account information
- Review of payroll procedures
- Identification and management of risks.

Internal audit was conducted off site during closure of our schools. There were no matters of significance to report.

On a regular basis, the internal auditor reports to the Trust Board through the audit committee on the operation of the systems of control and on the discharge of the Trust Board financial responsibilities.

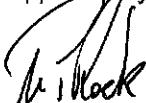
**Review of effectiveness**

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:

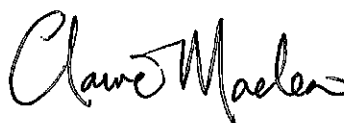
- the work of the reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Trust Board and signed on their behalf by:



**Dr W P Rock**  
Chair of Trustees  
Date: 10 December 2020



**Mrs C Maclean**  
Accounting Officer

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Tudor Grange Academies Trust I have considered my responsibility to notify the Trust Trust Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 the Trust Board and I are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the 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 Trust Board and ESFA.



**Mrs C Maclean**  
Accounting Officer  
Date: 10 December 2020

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and 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 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Trust Board and signed on its behalf by:



**Dr W P Rock**  
(Chair of Trustees)  
Date: 10 December 2020

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
TUDOR GRANGE ACADEMIES TRUST**

**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Trust'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 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
TUDOR GRANGE ACADEMIES TRUST (CONTINUED)**

**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. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report including the Strategic Report for the financial year 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 Trust 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
TUDOR GRANGE ACADEMIES TRUST (CONTINUED)**

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



**Simon Atkins FCA (Senior statutory auditor)**

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants

Statutory Auditor

One Central Boulevard

Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

Date: 16 December 2020

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TUDOR  
GRANGE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 April 2020 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 Tudor Grange Academies Trust 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 Tudor Grange Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Tudor Grange Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tudor Grange Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Tudor Grange Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Tudor Grange Academies Trust's funding agreement with the Secretary of State for Education dated 17 March 2017 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.



**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TUDOR GRANGE ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

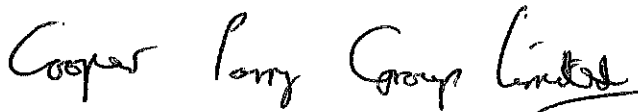
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Trust and evaluating their design and effectiveness to understand how the Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**Conclusion**

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



Reporting Accountant  
**Cooper Parry Group Limited**  
Chartered Accountants  
Statutory Auditor

Date: 16 December 2020

**TUDOR GRANGE ACADEMIES 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 £
<b>Income from:</b>						
Donations and capital grants:	4					
Surplus on joining		-	-	-	-	22,781,002
Transfer on conversion		256,440	(616,000)	661,684	302,124	-
Other donations and capital grants		22,366	-	3,624,507	3,646,873	2,501,297
Charitable activities	5	1,738,056	37,744,913	-	39,482,969	37,127,983
Teaching schools	36	-	236,376	-	236,376	318,396
Other trading activities	6	245,179	-	-	245,179	599,678
Investments	7	20,245	-	-	20,245	34,892
<b>Total income</b>		<u>2,282,286</u>	<u>37,365,289</u>	<u>4,286,191</u>	<u>43,933,766</u>	<u>63,363,248</u>
<b>Expenditure on:</b>						
Charitable activities	9,11	2,196,883	39,684,638	3,784,557	45,666,078	41,324,783
Teaching schools	36	-	235,013	-	235,013	232,504
<b>Total expenditure</b>		<u>2,196,883</u>	<u>39,919,651</u>	<u>3,784,557</u>	<u>45,901,091</u>	<u>41,557,287</u>
<b>Net income/ (expenditure)</b>		<u>85,403</u>	<u>(2,554,362)</u>	<u>501,634</u>	<u>(1,967,325)</u>	<u>21,805,961</u>
Transfers between funds	21	(321,725)	321,725	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>(236,322)</u>	<u>(2,232,637)</u>	<u>501,634</u>	<u>(1,967,325)</u>	<u>21,805,961</u>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	30	-	(1,846,000)	-	(1,846,000)	(6,380,000)
<b>Net movement in funds</b>		<u>(236,322)</u>	<u>(4,078,637)</u>	<u>501,634</u>	<u>(3,813,325)</u>	<u>15,425,961</u>

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
(CONTINUED)  
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 £
<b>Reconciliation of funds:</b>					
Funds brought forward	2,711,632	(18,480,640)	89,235,752	73,466,744	58,040,783
Net movement in funds	(236,322)	(4,078,637)	501,634	(3,813,325)	15,425,961
<b>Total funds carried forward</b>	<u>2,475,310</u>	<u>(22,559,277)</u>	<u>89,737,386</u>	<u>69,653,419</u>	<u>73,466,744</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 36 to 66 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07365748**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	16	89,683,665	89,135,485
<b>Current assets</b>			
Stocks	17	5,860	51,857
Debtors	18	2,346,461	2,689,873
Cash at bank and in hand		5,442,112	5,830,202
		7,794,433	8,571,932
Creditors: amounts falling due within one year	19	(4,531,835)	(4,931,968)
<b>Net current assets</b>		3,262,598	3,639,964
<b>Total assets less current liabilities</b>		92,946,263	92,775,449
Creditors: amounts falling due after more than one year	20	(469,844)	(565,705)
<b>Net assets excluding pension liability</b>		92,476,419	92,209,744
Defined benefit pension scheme liability	30	(22,823,000)	(18,743,000)
<b>Total net assets</b>		69,653,419	73,466,744
 <b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	21	89,737,386	89,235,752
Restricted income funds	21	263,723	262,360
Pension reserve	21	(22,823,000)	(18,743,000)
<b>Total restricted funds</b>	21	67,178,109	70,755,112
<b>Unrestricted income funds</b>	21	2,475,310	2,711,632
<b>Total funds</b>		69,653,419	73,466,744

The financial statements on pages 32 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....  


**Dr W P Rock**  
 (Chair of Trustees)

Date: 10 December 2020

The notes on pages 36 to 66 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	23	(306,643)	6,440,034
<b>Cash flows from investing activities</b>	25	(26,301)	(2,950,769)
<b>Cash flows from financing activities</b>	24	(55,146)	(134,188)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		(388,090)	3,355,077
Cash and cash equivalents at the beginning of the year		5,830,202	2,475,125
<b>Cash and cash equivalents at the end of the year</b>	26, 27	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 36 to 66 form part of these financial statements

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

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

**1. General information**

Tudor Grange Acadmies Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Dingle Lane, Solihull, B91 3PD.

**2. Accounting policies**

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

**2.1 Basis of preparation of financial statements**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

**2.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

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

**2. Accounting policies (continued)**

**2.3 Income (continued)**

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

**2.4 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**TUDOR GRANGE ACADEMIES TRUST**  
(A company limited by guarantee)

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

**2. Accounting policies (continued)**

**2.6 Tangible fixed assets**

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

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

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

Depreciation is provided on the following basis:

Leasehold buildings	-	2% straight line
Leasehold land	-	2% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	25% straight line

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

**2.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.8 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.

**2.9 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 from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.



**TUDOR GRANGE ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

**2. Accounting policies (continued)**

**2.11 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**2.12 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**2.13 Agency arrangements**

The Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use a percentage of allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 34.

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**2. Accounting policies (continued)**

**2.14 Fund accounting**

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgment**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

**Critical areas of judgment:**

The classification of expenditure between restricted and unrestricted funds is considered a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material, the expenditure is apportioned to both funding streams on an appropriate basis.

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet."

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**4. Income from donations and capital grants**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Transfer from existing academy trust	-	-	-	-	22,781,002
Transfer from local authority on conversion (see note 28)	256,440	(616,000)	661,684	302,124	-
Donations	22,366	-	-	22,366	36,158
Capital Grants	-	-	3,624,507	3,624,507	2,465,139
	<u>278,806</u>	<u>(616,000)</u>	<u>4,286,191</u>	<u>3,948,997</u>	<u>25,282,299</u>
<b>Total 2019</b>	<u>3,661,459</u>	<u>(1,552,859)</u>	<u>23,173,699</u>	<u>25,282,299</u>	

**5. Funding for the Trust's educational activities**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	33,135,319	33,135,319	32,509,527
Other DfE/ESFA grants	-	3,890,306	3,890,306	2,387,323
	-	<u>37,025,625</u>	<u>37,025,625</u>	<u>34,896,850</u>
<b>Other Government grants</b>				
High needs	-	707,502	707,502	396,742
Other government grants	-	11,786	11,786	7,687
	-	<u>719,288</u>	<u>719,288</u>	<u>404,429</u>
<b>Other funding</b>				
Internal catering income	1,057,366	-	1,057,366	1,482,546
Sales to students	305	-	305	5,979
Nursery income	680,385	-	680,385	338,179
	<u>1,738,056</u>	<u>37,744,913</u>	<u>39,482,969</u>	<u>37,127,983</u>
<b>Total 2019</b>	<u>1,826,704</u>	<u>35,301,279</u>	<u>37,127,983</u>	

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**6. Income from other trading activities**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	70,672	70,672	217,519
Income from ancillary trading activities	174,507	174,507	382,159
<b>Total 2020</b>	<u>245,179</u>	<u>245,179</u>	<u>599,678</u>
<b>Total 2019</b>	<u>599,678</u>	<u>599,678</u>	

In 2019 all income from other trading activities related to unrestricted funds.

**7. Investment income**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Short term deposits	20,245	20,245	34,892

In 2019 all investment income related to unrestricted funds.

**8. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Educational activities:					
Direct costs	28,460,338	-	3,396,128	31,856,466	29,233,647
Support costs	3,101,242	5,044,095	5,664,275	13,809,612	12,091,136
Teaching school	199,083	-	35,930	235,013	232,504
<b>Total 2020</b>	<u>31,760,663</u>	<u>5,044,095</u>	<u>9,096,333</u>	<u>45,901,091</u>	<u>41,557,287</u>
<b>Total 2019</b>	<u>29,664,322</u>	<u>3,559,202</u>	<u>8,333,763</u>	<u>41,557,287</u>	

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**9. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational activities	31,856,466	13,809,612	45,666,078	41,324,783
<b>Total 2019</b>	<b>29,233,647</b>	<b>12,091,136</b>	<b>41,324,783</b>	

**Analysis of direct costs**

	Total funds 2020 £	Total funds 2019 £
Pension finance costs	258,000	215,600
Staff costs	29,123,985	25,842,169
Educational supplies	986,889	1,116,383
Examination fees	412,015	554,752
Staff development	69,326	115,938
Supply teachers	586,354	727,891
Catering	3,411	46,645
Education services	324,183	406,266
Other costs	92,304	208,003
	<b>31,856,466</b>	<b>29,233,647</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational activities 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Pension finance costs	110,000	110,000	92,400
Staff costs	3,101,242	3,101,242	2,909,597
Depreciation	3,784,557	3,784,557	2,306,691
Catering	1,166,838	1,166,838	1,234,748
Recruitment and support	110,711	110,711	155,187
Maintenance of premises and equipment	2,445,277	2,445,277	2,326,316
Cleaning	155,333	155,333	82,940
Rent and rates	234,181	234,181	253,619
Energy costs	749,657	749,657	805,111
Insurance	120,367	120,367	146,936
Security and transport	180,974	180,974	91,216
Technology costs	1,011,993	1,011,993	950,687
Office overheads	268,158	268,158	261,722
Professional costs	252,114	252,114	291,565
Bank interest and charges	4,986	4,986	8,961
Governance costs	39,625	39,625	48,068
Other costs	73,599	73,599	125,372
<b>Total 2020</b>	<b>13,809,612</b>	<b>13,809,612</b>	<b>12,091,136</b>
<b>Total 2019</b>	<b>12,091,136</b>	<b>12,091,136</b>	

Included within professional costs are legal costs relating to academy conversions and transfers of £2,368 (2019: £27,804) and legal and other professional costs relating to all other matters of £249,746 (2019: £263,761).

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**10. Analysis of specific expenses**

Included within expenditure are the following transactions:

In each case the reason for the debt was due to the administration of a lettings agent, resulting in non-recoverability of site income.

	<b>Total</b>	<b>Individual items above £5,000</b>	
	<b>£</b>	<b>Amount</b>	<b>Academy</b>
	<b>£</b>	<b>£</b>	
Unrecoverable debts	58,024	22,941	TGA Kinghurst
		15,447	TGA Solihull
		7,141	TGA Redditch
		6,925	TGA Worcester

**11. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	147,050	25,097
Depreciation of tangible fixed assets	3,784,557	2,274,030
Fees paid to auditor for:		
- audit	25,000	28,150
- other services	7,250	6,200
	<u>                    </u>	<u>                    </u>

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**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	24,401,955	22,819,362
Social security costs	2,382,670	2,243,280
Pension costs	5,622,844	3,723,159
	<u>32,407,469</u>	<u>28,785,801</u>
Agency staff costs	586,354	727,891
Staff restructuring costs	16,840	150,630
	<u>33,010,663</u>	<u>29,664,322</u>

Staff restructuring costs comprise:

Severance payments	<u>16,840</u>	<u>150,630</u>
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**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £16,840 (2019: £68,974). This was made up of two payments of £12,420 and £4,420.

**c. Staff numbers**

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Administrative and Support	382	350
Teachers	408	403
Management	51	50
	<u>841</u>	<u>803</u>

**d. Higher paid staff**

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



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**12. Staff (continued)**

**d. Higher paid staff (continued)**

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	26	16
In the band £70,001 - £80,000	1	5
In the band £80,001 - £90,000	8	7
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	2	1
In the band £140,001 - £150,000	1	1

**e. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,960,344 (2019 £1,819,655).

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**13. Central services**

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

- Human resources
- Financial services
- Legal services
- Education and support services
- Others as arising

The Trust charges for these services on the following basis:

The Trust charged for these services on a fair basis as agreed between the Executive Principal and School Principals, being 5.5% GAG for Secondary schools and, 4% GAG for Primary schools and on a pro-rata basis for the All through school.

The actual amounts charged during the year were as follows:

	<b>2020</b>	<b>2019</b>
	£	£
TGPA Haselor	15,391	12,912
TG Samworth Academy	253,678	242,712
TGA Redditch	79,675	98,100
TGA Solihull	448,758	397,836
TGPA St James	39,834	36,840
TGA Worcester	317,457	294,684
Robert Smyth Academy	238,297	245,520
TGA Kingshurst	421,456	434,760
TGPA Yew Tree	2,343	-
TGPA Meon Vale	8,287	-
<b>Total</b>	<b>1,825,176</b>	<b>1,763,364</b>

**14. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, expenses totalling £NIL were reimbursed or paid directly to 3 Trustees (2019 - £1,751 to 4 Trustees).

**15. Trustees' and Officers' insurance**

The 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 £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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**16. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2019	101,743,189	6,475,600	7,894,933	34,747	116,148,469
Additions	3,317,133	13,805	340,115	-	3,671,053
Acquired on conversion	661,684	-	-	-	661,684
At 31 August 2020	<u>105,722,006</u>	<u>6,489,405</u>	<u>8,235,048</u>	<u>34,747</u>	<u>120,481,206</u>
<b>Depreciation</b>					
At 1 September 2019	15,533,577	5,340,620	6,105,110	33,677	27,012,984
Charge for the year	1,814,129	778,074	1,191,284	1,070	3,784,557
At 31 August 2020	<u>17,347,706</u>	<u>6,118,694</u>	<u>7,296,394</u>	<u>34,747</u>	<u>30,797,541</u>
<b>Net book value</b>					
At 31 August 2020	<u>88,374,300</u>	<u>370,711</u>	<u>938,654</u>	<u>-</u>	<u>89,683,665</u>
At 31 August 2019	<u>86,209,612</u>	<u>1,134,980</u>	<u>1,789,823</u>	<u>1,070</u>	<u>89,135,485</u>

**17. Stocks**

	2020 £	2019 £
Catering supplies and uniforms	<u>5,860</u>	<u>51,857</u>

**18. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	263,485	92,989
Other debtors	226,136	102,883
Prepayments and accrued income	1,454,906	1,795,180
Tax recoverable	401,934	698,821
	<u>2,346,461</u>	<u>2,689,873</u>

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**19. Creditors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
Other loans (see note 20)	39,882	25,135
ESFA loans (see note 20)	150,083	124,115
Trade creditors	1,484,750	1,873,881
Other taxation and social security	550,001	534,745
Other creditors	1,063,696	1,128,280
Accruals and deferred income	1,243,423	1,245,812
	<b>4,531,835</b>	<b>4,931,968</b>
	<b>4,531,835</b>	<b>4,931,968</b>
	<b>2020</b>	<b>2019</b>
	£	£
Deferred income at 1 September 2019	383,027	129,595
Resources deferred during the year	181,060	383,027
Amounts released from previous periods	(123,027)	(129,595)
	<b>441,060</b>	<b>383,027</b>
	<b>441,060</b>	<b>383,027</b>

At the balance sheet date the Trust was holding funds received in advance for Universal Free School Meals and other funding relating to the 2020/21 year.

**20. Creditors: Amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	£	£
Other loans	64,511	82,102
ESFA loans	405,333	483,603
	<b>469,844</b>	<b>565,705</b>
	<b>469,844</b>	<b>565,705</b>

Included within other loans are three interest free Salix loans totalling £104,399 (209: £107,237). These are 8 year interest free loans repayable in 16 equal, six monthly instalments. The loans funded boiler refurbishment at TGA Solihull, TGA Redditch and Robert Smyth Academy.

Included within ESFA loans is an ESFA loan of £555,416 (2019: £607,718). This is repayable deficit funding. Repayments of this are by way of GAG abatements and began in January 2019. The last repayment will be in March 2024.

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**21. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General Funds	2,711,632	2,282,286	(2,196,883)	(321,725)	-	2,475,310
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	33,135,319	(33,457,044)	321,725	-	-
Higher Needs Funding (SEN)	-	707,502	(707,502)	-	-	-
Pupil Premium	-	1,632,774	(1,632,774)	-	-	-
Other ESFA grants	-	2,257,532	(2,257,532)	-	-	-
Teaching School (including SCITT)	262,360	236,376	(235,013)	-	-	263,723
Other grants	-	11,786	(11,786)	-	-	-
Pension reserve	(18,743,000)	(616,000)	(1,618,000)	-	(1,846,000)	(22,823,000)
	<u>(18,480,640)</u>	<u>37,365,289</u>	<u>(39,919,651)</u>	<u>321,725</u>	<u>(1,846,000)</u>	<u>(22,559,277)</u>

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**21. Statement of funds (continued)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Restricted fixed asset funds</b>						
Fixed assets transferred on conversion	76,434,755	661,684	(3,099,557)	-	-	73,996,882
Condition Improvement Fund and other equivalent funds (CIF)	322,721	-	(40,000)	-	-	282,721
School Condition Allocation	6,773,276	3,624,507	(600,000)	-	-	9,797,783
Capital Extension Grant	5,705,000	-	(45,000)	-	-	5,660,000
	<u>89,235,752</u>	<u>4,286,191</u>	<u>(3,784,557)</u>	<u>-</u>	<u>-</u>	<u>89,737,386</u>
<b>Total Restricted funds</b>	<u>70,755,112</u>	<u>41,651,480</u>	<u>(43,704,208)</u>	<u>321,725</u>	<u>(1,846,000)</u>	<u>67,178,109</u>
<b>Total funds</b>	<u><u>73,466,744</u></u>	<u><u>43,933,766</u></u>	<u><u>(45,901,091)</u></u>	<u><u>-</u></u>	<u><u>(1,846,000)</u></u>	<u><u>69,653,419</u></u>

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

The General Annual Grant funding must be used for the normal running costs of the Trust in line with the Trust's charitable objects and the terms and conditions of the Trust's funding agreement.

Higher Needs (SEN) relates to funding received from the Local Authority to fund further support for pupils with additional needs.

The pupil premium funding must be used to support children from families on low income or children in care.

The Teaching School funds must be used for the operation of the Teaching School activities operated through the Trust.

Other grants and income, which include other ESFA / DfE grants (including Universal Infant Free School Meal grants, Teacher Pay grants and Teachers' Pension grants), Local Authority funding, and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

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**21. Statement of funds (continued)**

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Trust on conversion of the Schools within the Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

A transfer of £321,725 has been made from general funds to offset the excess GAG expenditure in the year and hence reduce the GAG restricted fund to £Nil.

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

**Total funds analysis by academy**

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
TGPA Haselor	(152,266)	(119,958)
TG Samworth Academy	1,022,432	773,077
TGA Redditch	(1,230,142)	(734,466)
TGA Solihull	294,393	182,413
TGPA St James	752,450	725,170
TGA Trust	(1,333,334)	(623,620)
TGA Worcester	(17,969)	(58,141)
Robert Smyth Academy	(974,714)	(873,423)
TGA Kingshurst	4,014,987	3,702,940
TGPA Yew Tree	332,567	-
TGPA Meon Vale	30,629	-
	2,739,033	2,973,992
Total before fixed asset funds and pension reserve	2,739,033	2,973,992
Restricted fixed asset fund	89,737,386	89,235,752
Pension reserve	(22,823,000)	(18,743,000)
	69,653,419	73,466,744
<b>Total</b>	69,653,419	73,466,744

The following Schools are carrying a net deficit on their portion of the funds as follows:

	Deficit £
TGPA Haselor	(152,266)
TGA Redditch	(1,230,142)
TGA Trust	(1,333,334)
TGA Worcester	(17,969)
Robert Smyth Academy	(974,714)
	(3,716,425)

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**21. Statement of funds (continued)**

The Trust is taking the following action to return the Schools to surplus:

**TGPA Haselor**

TGPA Haselor has suffered low pupil numbers since transfer into the Trust as there have been significant surplus places in local schools. Leadership was restructured 2019.20 with the aim to engage strongly with the local community. Significant capital investment has been made in recent years to enhance the learning environment. These changes are having a positive impact upon pupil numbers which, combined with continued robust staff and non-staff cost control, will enable the academy to return to a balanced budget in each of 2021/22 and 2022/23 and surplus thereafter.

**TGA Redditch**

TGA Redditch incurred an in year deficit of £495k 2019/20, reflecting low NOR. This has been subject to discussion with RSC West Midlands office to whom the Trust has submitted a requested Recovery Plan showing increased NOR following a successful local consultation on age ranges and projected increased income from a recently constructed Special Autism Base on site with strong placement support and investment from Worcester CC. The academy projects to return to in year surplus in 2024/25.

**TGA Trust**

Costs incurred within the central entity for lunch vouchers with Wonde ( i.e. outside the national scheme as this worked for our parents) for pupils has been £286k of which we have claimed £221k through the capped claim mechanism and will seek to recoup the balance following communication with ESFA, Other exceptional costs have been £77k for cleaning/risk site planning, of which we claimed £8k in the first exceptional costs claim. Currently the unclaimed amount is recorded as a cost to the entity. There is sustained significant investment in the Trust's school to school support team resource, enhancing outcomes across the Trust but at a net in year cost to the Trust; the Trust continues to monitor all costs, in particular central staff costs; outsourced costs are starting to reflect costs savings from economies of scale but these savings will only be reflected in our projections once there is evidence as to their sustainability.

**TGA Worcester**

Although pupil numbers at TGA Worcester are increasing, lagged funding has not supported the increase in staff costs required to meet the needs of a growing student population. The Trust continues to monitor total staff costs with the aim to cap these at 75% of total income. TGA Worcester is projected to return to cumulative GAG surplus in 2020/21 following an increase in PAN by 30 each year, which commenced September 2017 and is supported by in year funding increases from the Local Authority 2017/18 to 2022/23.

**Robert Smyth Academy**

Robert Smyth Academy transferred into the Trust 1 September 2017 with negative GAG reserves of £1.020m. It was agreed with ESFA at the time of the transfer that TGAT Trust would not be immediately required to fund this amount under a Memorandum of Understanding. The Trust accepted the financial risk implicit in this transfer in order to enhance outcomes at RSA at the request of the DfE and RSC office East Midlands. To help fund the deficit a combination of a DfE Grant and an Advance of GAG monies were received on transfer. Strict budgetary controls have been in place throughout the year including improved PTR (17.6) and contact ratio (76%) which has resulted in a significant year on year improvement whereby the academy is due to evidence a surplus in 2021/22.



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**21. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
TGPA Haselor	261,509	22,460	104,401	80,537	468,907	424,858
TG Samworth Academy	3,715,824	535,549	421,523	852,816	5,525,712	5,306,555
TGA Redditch	1,300,464	184,641	239,471	545,279	2,269,855	2,395,089
TGA Solihull	5,857,883	695,114	373,654	1,114,400	8,041,051	7,605,838
TGPA St James	851,481	109,114	66,078	145,421	1,172,094	1,040,447
TGA Trust	1,785,398	-	56,279	872,006	2,713,683	3,607,288
TGA Worcester	4,354,433	438,637	242,006	865,947	5,901,023	5,821,138
Robert Smyth Academy	3,207,654	363,510	301,011	782,997	4,655,172	4,469,200
TGA Kingshurst	5,398,208	596,706	608,006	1,322,322	7,925,242	8,580,183
TGPA Yew Tree	1,094,165	137,610	78,299	190,911	1,500,985	-
TGPA Meon Vale	246,047	17,901	19,684	41,178	324,810	-
<b>Trust</b>	<u>28,073,066</u>	<u>3,101,242</u>	<u>2,510,412</u>	<u>6,813,814</u>	<u>40,498,534</u>	<u>39,250,596</u>

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**21. Statement of funds (continued)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>					
General Funds	-	6,122,733	(3,411,101)	-	2,711,632
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(727,668)	32,548,668	(31,821,000)	-	-
Higher Needs Funding (SEN)	-	396,742	(396,742)	-	-
Pupil Premium	-	1,518,398	(1,518,398)	-	-
Other ESFA grants	-	879,680	(879,680)	-	-
Teaching School (including SCITT)	163,707	307,641	(208,988)	-	262,360
Other grants	-	7,687	(7,687)	-	-
Pension reserve	(9,764,000)	(1,592,000)	(1,007,000)	(6,380,000)	(18,743,000)
	<u>(10,327,961)</u>	<u>34,066,816</u>	<u>(35,839,495)</u>	<u>(6,380,000)</u>	<u>(18,480,640)</u>
<b>Restricted fixed asset funds</b>					
Fixed assets transferred on conversion	57,369,335	20,708,560	(1,643,140)	-	76,434,755
Devolved Formula Capital (DFC)	20,685	-	(20,685)	-	-
Condition Improvement Fund and other equivalent funds (CIF)	361,451	-	(38,730)	-	322,721
School Condition Allocation	4,867,273	2,465,139	(559,136)	-	6,773,276
Capital Extension Grant	5,750,000	-	(45,000)	-	5,705,000
	<u>68,368,744</u>	<u>23,173,699</u>	<u>(2,306,691)</u>	<u>-</u>	<u>89,235,752</u>
<b>Total Restricted funds</b>	<u>58,040,783</u>	<u>57,240,515</u>	<u>(38,146,186)</u>	<u>(6,380,000)</u>	<u>70,755,112</u>
<b>Total funds</b>	<u><u>58,040,783</u></u>	<u><u>63,363,248</u></u>	<u><u>(41,557,287)</u></u>	<u><u>(6,380,000)</u></u>	<u><u>73,466,744</u></u>

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**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	89,683,665	89,683,665
Current assets	2,482,190	5,154,129	158,114	7,794,433
Creditors due within one year	(6,880)	(4,485,073)	(39,882)	(4,531,835)
Creditors due in more than one year	-	(405,333)	(64,511)	(469,844)
Provisions for liabilities and charges	-	(22,823,000)	-	(22,823,000)
<b>Total</b>	<b>2,475,310</b>	<b>(22,559,277)</b>	<b>89,737,386</b>	<b>69,653,419</b>

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	89,135,485	89,135,485
Current assets	3,105,773	5,312,272	153,887	8,571,932
Creditors due within one year	(394,141)	(4,537,827)	-	(4,931,968)
Creditors due in more than one year	-	(512,085)	(53,620)	(565,705)
Provisions for liabilities and charges	-	(18,743,000)	-	(18,743,000)
<b>Total</b>	<b>2,711,632</b>	<b>(18,480,640)</b>	<b>89,235,752</b>	<b>73,466,744</b>

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**23. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income for the period (as per Statement of financial activities)	(1,967,325)	21,805,961
<b>Adjustments for:</b>		
Depreciation	3,784,557	2,274,330
Capital grants from DfE and other capital income	(3,624,507)	(2,465,139)
Interest receivable	(20,245)	(34,892)
Defined benefit pension scheme obligation inherited	616,000	-
Defined benefit pension scheme cost less contributions payable	1,259,000	699,000
Defined benefit pension scheme finance cost	359,000	308,000
Decrease/(increase) in stocks	45,997	(21,340)
Decrease in debtors	343,412	1,898,943
(Decrease)/increase in creditors	(440,848)	1,091,731
Funds brought forward on joining the Trust	(661,684)	(19,116,560)
<b>Net cash (used in)/provided by operating activities</b>	<b>(306,643)</b>	<b>6,440,034</b>

**24. Cash flows from financing activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Repayments of borrowing	(55,146)	(134,188)
<b>Net cash used in financing activities</b>	<b>(55,146)</b>	<b>(134,188)</b>

**25. Cash flows from investing activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	20,245	34,892
Purchase of tangible fixed assets	(3,671,053)	(5,450,800)
Capital grants from DfE Group	3,624,507	2,465,139
<b>Net cash used in investing activities</b>	<b>(26,301)</b>	<b>(2,950,769)</b>

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**26. Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash in hand	5,442,112	5,830,202
<b>Total cash and cash equivalents</b>	<b>5,442,112</b>	<b>5,830,202</b>

**27. Analysis of changes in net debt**

	<b>At 1</b>	<b>Cash flows</b>	<b>Other non-</b>	<b>At 31</b>
	<b>September</b>	<b>£</b>	<b>cash</b>	<b>August 2020</b>
	<b>2019</b>	<b>£</b>	<b>changes</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	5,830,202	(388,090)	-	5,442,112
Debt due within 1 year	(149,250)	-	(40,715)	(189,965)
Debt due after 1 year	(565,705)	55,146	40,715	(469,844)
	<b>5,115,247</b>	<b>(332,944)</b>	<b>-</b>	<b>4,782,303</b>

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**28. Conversion to an academy trust**

On 1 September 2019 Yew Tree Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tudor Grange Academies Trust from Solihull Metropolitan Borough Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>Tangible fixed assets</b>				
Leasehold land and buildings	-	-	661,684	661,684
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	256,440	-	-	256,440
LGPS deficit on conversion	-	(616,000)	-	(616,000)
<b>Net assets/(liabilities)</b>	<u>256,440</u>	<u>(616,000)</u>	<u>661,684</u>	<u>302,124</u>

Leasehold land and buildings have been transferred to Tudor Grange Academies Trust from Solihull Metropolitan Borough Council under a 125 year lease.

**29. Capital commitments**

	2020 £	2019 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	-	957,455

The Trust is party to tripartite agreements for ongoing capital projects (for the development of the School land and buildings) funded by the ESFA at Tudor Grange Primary Meon Vale, a Free School.

**30. Pension commitments**

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

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**30. Pension commitments (continued)**

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

Contributions amounting to £597,596 were payable to the schemes at 31 August 2020 (2019 - £459,751) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,130,084 (2019 - £2,009,784).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded 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.

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**30. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,621,000 (2019 - £1,494,000), of which employer's contributions totalled £1,295,000 (2019 - £1,193,000) and employees' contributions totalled £ 326,000 (2019 - £301,000). The agreed contribution rates for future years differs from Academy to Academy within the Trust, dependent on the pension scheme the Academy is in. The Academies are members of the following schemes:

West Midlands Pension Fund: TGA Solihull, TGPA St James, TGA Kinghurst and TPGA Yew Tree  
Warwickshire County Council Pension Scheme: TGPA Haselor and TGPA Meon Vale  
Worcestershire County Council Pension Scheme: TGA Redditch and TGA Worcester  
Leicestershire County Council Pension Scheme: TG Samworth Academy and the Robert Smyth Academy

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**

	<b>2020</b>	<b>2019</b>
	%	%
Rate of increase in salaries	3.29	3.40
Rate of increase for pensions in payment/inflation	2.31	2.22
Discount rate for scheme liabilities	1.72	1.85
Inflation assumption (CPI)	2.28	2.15

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

	<b>2020</b>	<b>2019</b>
	Years	Years
<i>Retiring today</i>		
Males	22.0	22.0
Females	24.2	24.5
<i>Retiring in 20 years</i>		
Males	23.3	23.8
Females	26	26.5



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**30. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	5,720	-
Discount rate -0.1%	(5,735)	-
Mortality assumption - 1 year increase	(6,001)	-
Mortality assumption - 1 year decrease	5,970	-
CPI rate +0.1%	(5,538)	-
CPI rate -0.1%	5,538	-

The Trust's share of the assets in the scheme was:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Equities	14,276,000	14,052,000
Gilts	1,437,000	498,000
Corporate bonds	3,377,000	4,493,000
Property	1,799,000	1,810,000
Cash and other liquid assets	1,258,000	740,000
Other	2,082,000	1,566,000
<b>Total market value of assets</b>	<b>24,229,000</b>	<b>23,159,000</b>

The actual return on scheme assets was £(279,000) (2019 - £1,375,000).

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current service cost	2,411,000	1,733,000
Past service cost	(134,000)	159,000
Interest income	(448,000)	(583,000)
Interest cost	807,000	885,000
Administrative expenses	9,000	6,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>2,645,000</b>	<b>2,200,000</b>

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**30. Pension commitments (continued)**

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

	2020 £	2019 £
<b>At 1 September</b>	41,902,000	25,704,000
Conversion of academy trusts	913,000	6,294,000
Current service cost	2,411,000	1,733,000
Interest cost	807,000	885,000
Employee contributions	326,000	301,000
Actuarial losses	1,119,000	7,113,000
Benefits paid	(560,000)	(287,000)
Past service costs	134,000	159,000
	<u>47,052,000</u>	<u>41,902,000</u>

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2020 £	2019 £
<b>At 1 September</b>	23,159,000	15,940,000
Conversion of academy trusts	297,000	4,702,000
Interest income	448,000	583,000
Actuarial (losses)/gains	(727,000)	733,000
Employer contributions	1,295,000	1,193,000
Employee contributions	326,000	301,000
Benefits paid	(560,000)	(287,000)
Administrative expenses	(9,000)	(6,000)
	<u>24,229,000</u>	<u>23,159,000</u>

Breakdown of Trust pension liability by school:

	2020 £	2019 £
TGPA Haselor	(68,000)	(221,000)
TG Samworth Academy and The Robert Smyth Academy	(7,356,000)	(7,933,000)
TGA Redditch	(1,744,000)	(1,672,000)
TGA Solihull, TGPA St James, TGA Kinghurst and TGPA Yew Tree	(10,474,000)	(6,106,000)
TGA Worcester	(3,169,000)	(2,811,000)
TGPA Meon Vale	(12,000)	-
	<u>(22,823,000)</u>	<u>(18,743,000)</u>

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**31. Operating lease commitments**

At 31 August 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	85,351	117,265
Later than 1 year and not later than 5 years	38,971	109,710
	<u>124,322</u>	<u>226,975</u>

**32. 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.

**33. Related party transactions**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14.

**34. Agency arrangements**

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020 the Trust received £115,272 (2019: £65,437) and disbursed £74,864 (2019: £137,017) from the fund. An amount of £90,422 (2019: £50,014) is included in other creditors relating to undistributed funds that is repayable to ESFA.

**35. Post balance sheet events**

An Academy order has been issued for Perdiswell Primary School to convert and become an academy, it will join the Trust on 1 April 2021.

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**36. Teaching school trading account**

	2020	2020	2019	2019
	£	£	£	£
<b>Income</b>				
<b>Direct income</b>				
Teaching School	236,376		318,396	
<b>Total income</b>		236,376		318,396
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Direct staff costs	199,083		184,665	
Educational supplies	35,930		47,839	
<b>Total direct expenditure</b>	<u>235,013</u>		<u>232,504</u>	
<b>Total expenditure</b>		235,013		232,504
<b>Surplus from all sources</b>		<u>1,363</u>		<u>85,892</u>
<b>Teaching school balances at 1 September 2019</b>		262,360		176,468
<b>Teaching school balances at 31 August 2020</b>		<u><u>263,723</u></u>		<u><u>262,360</u></u>