

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 2019



**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 17
Governance statement	18 - 21
Statement on regularity, propriety and compliance	22
Statement of Trustees' responsibilities	23
Independent auditors' report on the financial statements	24 - 26
Independent reporting accountant's report on regularity	27 - 28
Statement of financial activities incorporating income and expenditure account	29
Balance sheet	30
Statement of cash flows	31
Notes to the financial statements	32 - 64

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dr W P Rock (Chair) Prof J M Winterbottom Mr R G Cooper Ms S Smith Revd J Hughes (retired 13 June 2019) Councillor Mrs K Wild (appointed 24 February 2019)
Trust Board	Mr R Edwards ¹ Mr W J R George ¹ Mrs J A Bexon-Smith ² Mrs A J Newman (resigned 31 August 2019) ^{1,2} Mr G Pearce ¹ Dr W P Rock, Chair of Trust Board ^{1,2} Prof J M Winterbottom ¹ Dr P Machon (resigned 31 August 2019) ² Mr J R Turner ¹ Mr P Slough (appointed 18 September 2019) Mrs J Potter (appointed 16 October 2019) ² ¹ Link Governor ² Chair of LGB
Company registered number	07365748
Company name	Tudor Grange Academies Trust
Principal and Registered office	Tudor Grange Academies Trust Dingle Lane Solihull West Midlands B91 3PD
Accounting Officer	Mrs C Maclean
Key management personnel	Mrs C Maclean, Chief Executive Officer Mr D Turner, Executive Principal Mrs S Roach, Executive Principal Mrs C Smith, Principal, Tudor Grange Academy Solihull (appointed 1 September 2018) Mrs J Bolter, Principal, Tudor Grange Academy Redditch Mr A Wilkinson, Principal, Tudor Grange Samworth Academy (appointed 1 September 2018) Mr D Cleary, Principal, Robert Smyth Academy (appointed 1 September 2018) Mrs S Deakin, Executive Principal, Tudor Grange Primary Academy St. James Mrs C Hatton, Executive Principal Mr S Dixon, Principal, Tudor Grange Primary Academy Haselor (appointed 1 September 2018) Mr D Butler, Principal, Tudor Grange Academy Worcester (appointed 25 February 2019)

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Mrs J Brant, Director of HR
Mr M Boyle, Acting Principal, Tudor Grange Academy Kingshurst
(appointed 1 March 2019)
Mr J Cook, Executive Governance Officer
Mr S Groutage, Chief Operating Officer
Mr C Key, Chief Finance Officer
Miss L Marson, Executive Data Manager
Mr J Mealings, Executive Catering Officer
Ms C Waterhouse, Executive Trust Lead SENCO and Safeguarding

**Independent external
auditors** Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

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

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

Tudor Grange Academies Trust operates 1 primary academy in Solihull, 1 in Haselor, 5 secondary academies in Solihull, Worcester, Redditch and Market Harborough and 1 all through academy in Leicester. The Trust's academies have a combined pupil capacity of 6,454 and had a roll of 4,998 in the school census in October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charitable Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Charitable Trust.

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

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 £1, for the debts and liabilities contracted before they ceased to be a member.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	4

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	601	
Total pay bill	26,235,020	
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	-	%
---	---	---

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Trustees' Indemnities

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

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.

TRUSTEES

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.

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 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's Finance Governor, who is also a Trustee, enables the Trust Board to conduct reviews over financial performance with the Accounting Officer and Academy Principals independent to the Chief Finance Officer. This allows 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.

The Trust Board has devolved responsibility for day to day management of each Academy to each Principal and Leadership Group (LG). Each Principal is responsible for the appointment of staff, though appointment panels for teaching posts usually include a Local Governor.

The Local Governing Body (LGB)

The Trust Board has established for each Academy an LGB. Each LGB's role is to provide advice to the Trust Board in relation to the functioning of the relevant Academy.

Each LGB shall comprise at a minimum: 10 members, and at a maximum: 12 members, including: two parents

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

of a pupil at the relevant Academy (to be elected by the parents of registered pupils of the relevant Academy), up to two employees at the respective Academy. 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 Academy. 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. Minutes of meetings are recorded and are made available to Trustees forwarded to the Clerk 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. Where necessary, the LGB Chair will have a second or casting vote.

The following areas are within the remit of the LGB: to consider and advise the Trust Board on standards and other matters relating to the Academy's curriculum, including statutory requirements and curriculum policy; to ensure effective arrangements for Child Protection and Safeguarding; to ensure budgets are managed in agreement with the Trust's Scheme of Delegation and policies; to oversee the recruitment, selection and appointment of all staff below the Principal level; support the Academy's Principal and the local Senior Leadership Team in maintaining and improving standards and performance, thus improving outcomes for learners; and to ensure compliance with Health and Safety legislation and regulations. Each LGB is required to have a minimum of four Link Governors who take particular interest in the following areas: safeguarding, curriculum, finance and health & safety. Each LGB is also responsible for reviewing, assessing and managing risks at their Academy in line with the Charitable Trust's risk management strategy.

Link Governors

It is the Trust's belief that an effective LGB will assign specific responsibilities to individual Governors, depending upon the practicality given the size and skills of each LGB and the needs of the school. Each Governor in charge of these areas is termed a Link Governor as they are responsible for linking up communication both between LGBs across the Trust and between each LGB and the Trust Board through their respective LGB Chairs. By assigning responsibility this enables each Link Governor to develop a deeper understanding in a particular area.

Link Governors for Finance are supported by regular Principal's reports; access to on line financial information; regular LGB finance reports; detailed annual budgets discussion and review; internal audit reports on request through the Audit Committee and benchmarking information with comparator academies.

Link Governors for Health and Safety are supported by detailed Health & Safety checklists for governor site reviews; the Trust Health & Safety Officer (from our partner, Bellrock) provides weekly reports to Principals and, where requested, Link Governors, and attends termly Health & Safety committee meetings to report to Link Governors on performance. The Trust's COO maintains building stock conditions surveys information that can be made available to the Link Governors on request. The Charitable Trust's Executive Catering Officer maintains monitoring information and an audit against National Food standards, and again this can be made available on request.

Link Governors for Safeguarding are supported by regular reports from each Academy's safeguarding teams.

Link Governors for Curriculum can attend learning walks on request through their LGB Chair; the Trust undertakes a 2 day annual review in all schools, supported by an external reviewer who compiles their observations for the Chief Executive Officer, Executive Principals, the Principals and the LGB. Link Governors for Curriculum and other Local Governors are involved in the reviews; in the past this has involved OFSTED trained inspectors.

Link Governors for Data are supported by regular data reports on academy and Trust wide performance.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Local Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils, access to the Charitable Trust's Governance Handbook and access to appropriate on line sources of advice for Governors. All Trustees are also provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual but at a minimum includes a formal letter of appointment, site tour, meeting the Executive team and access to the Charitable Trust's governance Handbook. Advantage is taken of specific courses offered by the Local Authority and other bodies. In the last year the Charitable Trust has offered tailored courses for Trustees and Local Governors covering the role of the Governor, safeguarding update training and understanding of student data. These courses continue to be developed.

Organisational Structure

The Charitable Trust is constituted as a Charitable Trust which has a Charitable Trust Board of Directors (the Trust Board) and at each Academy within the Trust, a Local Governing Body (the LGB). As at 31 August 2019, there were five secondary schools, one all through school and two primary schools 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.

The academies are as follows:

Name	Date Joined	Type
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 Academy)	1 January 2016	All-through
Robert Smyth Academy (RSA)	1 September 2017	Secondary
Tudor Grange Academy Kingshurst (TGA 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 academies have joined the Charitable Trust's current Master Funding Agreement, operating under individual Supplementary Funding Agreements.

During the period, there were two independent inspections of schools within the Trust:

Inspection Date	School	Inspection Type	Previous Designation for Overall Effectiveness	New Designation for Overall Effectiveness
21/05/2019	Tudor Grange Academy Worcester	OfSTED Section 5	Good	Good
02/10/2018	Tudor Grange Samworth Academy	OfSTED Section 5	Not previously inspected (Predecessor Inadequate)	Inadequate

Commentary on inspection outcomes is provided in the section on individual schools later in the report.

Academy Management

Secondary and All-through Academies

The management structure consists of three levels: the LGB, 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 Academy, implementing the policies laid down by the Trustees and reporting back to them. Each Secondary Academy, and

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

the Secondary Phase of the All through Academy, 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 Academies and Free School

Our Primary Academies, and the Primary Phase of the All through Academy 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 Academy, implementing the policies laid down by the Trustees and reporting back to them. Both Primary Academies 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.

Central Team

The Charitable Trust supports each academy through the Central Team, established by the Chief Executive Officer under delegated powers. The Central Team has two functions: academy improvement and support services.

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 and attendant committees and boards 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. 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 the Charitable Trust 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 central 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.

The Central Team has wide ranging responsibilities across all academies for assuring and ensuring educational improvement; it also monitors and supports the work of the Academies 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.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy 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 (Note 13).

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

The pay of key management personnel is reviewed annually and normally increased in accordance with performance in the year. Trustees review performance appraisals for all key management personnel. The Trustees benchmark against pay levels in independent data and other Academies 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. The Chief Executive Officer is paid within a range of 1:10 with the lowest pay point in the Trust and below an upper threshold of £150,000.

Connected Organisations, including Related Party Relationships

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

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 3 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 Academy during the year ended 31 August 2019 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.

Equal Opportunities 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.

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 standards

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 Academies attend half day Executive meetings on a monthly cycle, these are hosted at Tudor Grange Academy Solihull as a central location. The Chief Executive Officer chairs the meetings and the Executive Principals, Executive Data Manager, Chief Finance Officer and Chief Operating

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Officers 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 activities;
- secure use of data and tracking to measure progress and inform actions and interventions;
- 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 clear; and
- structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

2019 to 2021 Trust Development Plan

Priority 1

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

- Further improving strong curriculum intent and well crafted, thoughtfully sequenced learning experiences
- Strengthening a shared understanding of QFT 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 and Disadvantaged pupils to be consistently proficient in our schools due to deep expertise in the Trust (*to include review of current Trust Behaviour Policy and implementation of Thrive and 'Tudor Habits' approaches across the Trust*)

Priority 2

To improve Governance across the Trust by:

- Developing and establishing stronger understanding of the roles of the LGBs and the roles of Executive leaders, implementation of a more developed approach to risk management
- Establishing consistent reporting/trackers of 'information' to improve strategic leadership and decision making within the Trust, maintaining transparency but supporting stronger invitational leadership
- Developing and executing strong training and development plans to ensure deep expertise and therefore confidence in the new OFSTED framework

Priority 3

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

- 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 to improve the scalability of the core functions of the Trust by:

- Conducting a full review of central school improvement team costs and impact
- Continuing to develop significant outsourcing contractual relationships (e.g. Facilities and Pupil IT systems)
- Full implementation of Bromcom contract
- Embedding centralisation of finance function
- Completing full suite of HR adopted Trust policies
- Investigating feasibility of outsourcing of Catering function

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

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.

STRATEGIC REPORT

Achievements and Performance

The Charitable Trust operates a robust quality assurance calendar which monitors the quality of teaching and learning in all the schools and includes meetings, lesson observation and book trawls, monitoring the progress of students against milestones throughout the year. All schools undertake a rigorous review of attainment using the DfE Analyse School Performance (ASP) report and FFT Live to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Key Performance Indicators

The following tables summarise Key Performance Indicators by Academy:

PRIMARIES	TGPA ST. JAMES 2019 (2018)	TGPA HASELOR 2019 (2018)	TGPA SAMWORTH 2019 (2018)
Number on roll	235 (237)	65 (87)	376 (416)
Capacity at year end	240	115	480
KS1 results			
Number of eligible students	31 (29)	10 (10)	54 (59)
% reading expected in reading	74% (83%)	70% (90%)	74% (44%)
% reading expected in writing	71% (76%)	70% (80%)	69% (41%)
% reading expected in maths	74% (79%)	70% (90%)	76% (64%)
KS2 results			
Number of eligible students	30 (30)	21 (5)	58 (60)
% reading expected in reading	73% (69%)	67% (SUPP)	69% (55%)
% reading expected in maths	90% (80%)	71% (SUPP)	64% (53%)
% reading expected in reading, writing and maths	65% (67%)	67% (SUPP)	53% (42%)
Progress score reading	0.2 (-2.1) -2.0 to +2.5 (-4.4 to +0.2)	0.2 (SUPP) -2.6 to +3.0 (SUPP)	-3.9 (-1.4) -5.6 to -2.3 (-3.0 to -0.2)
Progress score writing	-3.2 (+0.9) -5.4 to -1.0 (-1.3 to +3.1)	1.4 (SUPP) -1.3 to +4.1 (SUPP)	-2.9 (+0.2) -4.5 to -1.3 (-1.4 to +1.8)
Progress score maths	+0.5 (-0.7) -1.6 to +2.5 (-2.8 to +1.4)	-2.5 (SUPP) -5.1 to 0.0 (SUPP)	-3.5 (-3.8) -5.0 to -2.0 (-5.3 to +2.3)
Attendance (whole school) %	96.6% (96.5%)	96.9% (96.3%)	94.3% (94.5%)

SUPP - cohorts smaller than 5 are suppressed for data protection purposes.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

During 2018 to 2019, the Charitable Trust invested in approaches such as the implementation of the 'power of reading' and sustained improvement in the quality of reading materials available in our primary schools. This resulted in strong progress for pupils in our primaries in reading. Tudor Grange Samworth Academy Primary (TGSA) results were particularly pleasing: sustaining strong improvements in progress in-year and attainment year on year (progress scores at TGSA were adversely affected by very high recorded key stage one outcomes).

The Charitable Trust has now extended the appointments of central leads to ensure that outstanding practice in the foundation subjects is systematically shared across our primary schools. The addition of Tudor Grange Primary Academy Yew Tree has developed the capacity within the Charitable Trust to continue to support stronger outcomes across all primary provision.

Key Stage 1	National 2019	National 2018	TGPASJ		TGPAH		TGSA	
			2019	2018	2019	2018	2019	2018
% pupils passing phonics screening check in year 1	82%	82%	77%	63%	86%	63%	90%	70%
% pupils passing phonics screening check in year 2	91%	92%	93%	93%	100%	100%	94%	86%
EYFS	National 2019	National 2018	TGPASJ		TGPAH		TGSA	
			2019	2018	2019	2018	2019	2018
% pupils reaching Good Level of Development at the end of reception	72%	72%	73%	77%	73%	67%	70%	50%

All schools reported improving proportions of pupils achieving the pass level for the phonics screening check. This has been a particular focus at TGSA and, again, we have seen significant improvement in pupils' achievements here.

All schools reported proportions of pupils reaching a good level of development at the end of reception in line with patterns seen nationally; this represents an improvement for some of our schools in keeping with the quality assurance outcomes that have been reported throughout the year.

The Charitable Trust employs a Trust Lead for Early Years provision and systematic monitoring and support for our schools secures continuous improvement in this phase in our primaries. The Charitable Trust continues to invest in this support and further improvements in the learning environments supporting early development in our schools.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

SECONDARIES	TGA SOLIHULL	TGA WORCESTER	TGA REDDITCH	TGA SAMWORTH	ROBERT SMYTH ACADEMY	TGA KINGSHURST
	2019 (2018)	2019 (2018)	2019 (2018)	2019 (2018)	2019 (2018)	2019 (2018 predecessor)
Number on roll	1609 (1560)	1065 (1071)	237 (259)	464 (450)	882 (883)	1330 (1354)
Capacity at year end	1610	1250	1120	566	1343	1550
GCSE results						
Number in cohort	246 (243)	185 (166)	61 (72)	68 (79)	129 (116)	173 (206)
Attainment 8	60.84 (60.3)	42.34 (47.7)	34.09 (38.4)	33.38 (33.7)	50.93 (46.2)	37.71 (42.1)
Progress 8	0.57 (0.53)	-0.26 (-0.05)	-0.33 (-0.1)	-0.57 (-0.58)	0.04 (-0.21)	-0.82 (-0.8)
% gaining strong pass in English and maths (5+)	76% (72%)	37% (55%)	21% (29%)	22.1% (19%)	53.5% (49%)	26% (29%)
% gaining standard pass in English and maths (4+)	91% (91%)	63% (70%)	39% (56%)	40% (32%)	78% (72%)	46% (59%)
% entering Ebacc	55% (61%)	17.8% (47%)	31.1% (44%)	11.8% (26%)	23.3% (26%)	1.7% (18%)
% achieving Ebacc (standard pass 4+)	42.5% (46.1%)	13.0% (25.3%)	13.1% (8%)	5.9% (5.1%)	14.7% (17.2%)	0.6% (2.4%)
% A*-A passes	36.9% (35.9%)	15.3% (18.5%)	6.3% (11.0%)	7.1% (7.5%)	23.0% (14.2%)	13.6% (9.6%)
A2 results						
% A - B passes	60.2% (61.5%)	21.6% (43.0%)	41.0% (38.3%)	NA	41.0% (39.7%)	NA
% A - E passess	98.4% (98.0%)	90.7% (100%)	100% (98.8%)	NA	96.1% (95%)	NA
Post 16 BTEC passes						
% at Dist/Dist*	NA	40.0% (0%)	42.9% (30.8%)	NA	51.4% (33%)	45% (59%)
% BTEC passess	NA	100% (100%)	100% (96.2%)	NA	100% (100%)	100% (100%)
Attendance (whole school)%	95.9% (%)	94.5% (%)	92.8% (%)	92.3% (%)	94.8% (%)	93.9% (93.6%)

TGA Solihull continues to sustain excellence, performing well above national averages on all indicators. The work of the Teaching School (TS) continues to support an alliance of schools outside the Charitable Trust and, pleasingly, TS was successful in a bid to develop a Maths Hub this year on the basis of its extensive work with other schools to improve the teaching of mathematics.

TGA Worcester, our first sponsored academy, secured 'Good' overall in a section 5 inspection during the year. The report recognised the inclusive ethos of the school and the overwhelmingly positive response of students, staff and parents during the inspection. The school performed in line with national averages on the basics measure at 4+ again this year but performance at 5+ was not sustained; this is reflective of differences in the profile of the cohort. Leaders remain committed to their vision for the curriculum and the ethical decisions they have made to persist with choices that support a broad and balanced education for each child rather than securing performance in accountability performance tables.

Post-16 outcomes were very disappointing for some learners and leaders have revised the pathways available to ensure that this is not the case in the future. Leaders are now very focussed on sustaining the aspirations of all groups of learners to ensure attainment improves again.

TGA Redditch's (TGAR) progress 8 outcome indicates performance in line with national averages again this year. Strong performances in the core of English, Mathematics and Science remain stable and outcomes in other subject areas are improving through diligent action planning. Post-16 outcomes continue to improve as does engagement in enrichment opportunities. Leaders have taken effective action to address the outcomes of the section 5 inspection in June 2018, with painstaking attention to marginal gains rendering an overall improvement in attendance. Pupil numbers remain exceptionally low at TGAR. The Principal is highly effective in maintaining financial discipline in her running of the school, protecting pupils from any detriment by carefully selecting areas for required investment from the Trust. Relationships with the community and local schools continue to improve.

Tudor Grange Samworth Academy was inspected in October 2018 and the overall effectiveness grading secured was 'serious weaknesses' because outcomes are not yet acceptable. The Trust has put in place a school improvement plan and increased Executive Principal support and monitoring.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Robert Smyth Academy (RSA) achieved outcomes suggesting improvements to performance are sustained. Internal Trust Quality Assurance activities evidenced a significant improvement in the overall quality of teaching and learning. Leaders are able to more confidently demonstrate the impact of their work in accordance with strong school improvement planning. Student numbers joining the main school are continuing to increase with applications for new year groups rising year on year. Recruitment to the sixth form has improved for the 2019 cohort, leaders continue to monitor the financial impact of low numbers in some legacy year groups.

Outcomes for Tudor Grange Academy Kingshurst suggest that the school has maintained the levels of progress evidenced in the outcomes in 2018; outcomes at the school remain unacceptably low. 2018 to 2019 was a turbulent year for the academy but the school began the academic year in September 2019 fully staffed. More stable staffing will now provide stability for the pupils and better overall quality of provision. We are seeing continued high levels of engagement from strong middle leaders in the school and therefore the gains that were made in improving the curriculum and assessment will be sustained.

Key Performance Indicators

The main financial performance indicators are as follows: as the bulk of funding is based on pupil numbers, NOR (this is tabulated above by Academy on pages 10 and 12); total staffing costs (including actuarial costs) as a percentage of total income which for 2019 for the Charitable Trust was 79.9% (2018: 83.1%); and the level of cash held and projected to be held on a rolling 12 months basis.

Going Concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that the Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going Concern policy.

FINANCIAL REVIEW

Financial Review

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 2019 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 and are 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 £40,582,246 (2018: £33,571,262 excluding funds brought in on conversion) of which £34,066,816 (2018: £22,832,366) was restricted funding received from the DfE, ESFA and other sources, and total resources expended for the year of £41,557,287 (2018: £31,418,840).

Total funds at 31 August 2019 were £73,466,744 (2018: £58,040,783) of which £89,235,752 were restricted fixed asset funds, £2,711,632 were unrestricted funds, restricted funds of £262,360 and £18,743,000 were LGPS deficits.

Total funds at 31 August 2019, excluding funds related to fixed assets and LGPS were £2,973,992 (2018: deficit of £563,961) These funds are detailed by Academy at Note 21.

Total cash balances at 31 August 2019 were £5,830,202 (2018: £2,475,125).

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

At 31 August 2019 the net book value of fixed assets was £89,135,485 (2018: £65,250,455) and movements in tangible fixed assets are shown in Note 15 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 academy levels. These have been discussed by Trustees and include the financial risks to the Charitable Trust. The schedule and strategy are formally reviewed annually.

The Trustees have assessed the major risks to which the Charitable Trust is exposed, in particular those relating to its 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 full 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 28 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 Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trust held fund balances at 31 August 2019 of £73,466,744 (2018: £58,040,783) comprising restricted fixed assets reserves of £89,235,752 (2018: £68,368,744), restricted reserves of £262,360 (2018: deficit of £563,961), pension deficit of £18,743,000 (2018: £9,764,000) and available unrestricted reserves of £2,711,632 (2018: £Nil).

The Trust has no recourse to other revenue/income streams of any significance and maintaining a level of reserves is essential. The reserves at 31 August 2019 are shown above being in aggregate £73,466,744. The Trustees have not set a target level of reserves in aggregate or for each academy because the policy is to ensure funding received is spent on the pupils that are currently within the academies and the Academy Trust has to work within the limits set by the Master Funding Agreement. Academies prepare financial plans for at least the next three years alongside the annual budget. The Trustees will continue to monitor the level of reserves.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy 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 Academy 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 Trustees.

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 92.7% (2018: 93.1%) 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 Academy 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.

Safeguarding and Child Protection

The Trustees and Local Governors 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 Academy is reliant on the quality of its staff and so the Trustees and Local Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Funds 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 Local Governing Bodies. A risk register is maintained, reviewed and updated on a regular basis.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

PLANS FOR FUTURE PERIODS

Each Academy 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 Academy with regard to employment or continuing in training or formal education.

Each Academy 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. A key focus will be the development of post 16 education in order to secure similar outcomes to KS4.

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

FUNDS HELD AS CUSTODIAN TRUSTEE 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 not place anyone with a disability at a substantial disadvantage. Where necessary, we will take reasonable steps to improve access.

Disclosure of information to auditors

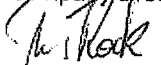
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 17/12/19 and signed on its behalf by:



**Dr W P Rock
Chair of Trustees**

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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.

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 12 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr R Edwards	10	12
Mr W J R George	10	12
Mrs J A Bexon-Smith	9	12
Mrs A J Newman	10	12
Mr G Pearce	9	12
Dr W P Rock, Chair of Trust Board	12	12
Prof J M Winterbottom	9	12
Dr P Machon	9	12
Mr J R Turner	6	12
Mr P Slough	0	0
Mrs J Potter	0	0

The Audit Committee is a sub-committee of the main board of Trustees. Its purpose is to:

- review the risks to internal financial controls at the Charitable Trust and to agree a programme of work that will address these risks
- inform the statement of internal control
- insofar as is possible, provide assurance to the external auditors

The remit of the AC is to advise the Trust Board on the adequacy and effectiveness of its systems of internal control and arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money); review the statement of internal control and make appropriate recommendations to the Trust Board; advise on the appointment, reappointment, dismissal and remuneration of auditors; ensure effective coordination of the work of the external auditor and internal auditor; consider the reports of the auditors and, when appropriate, advise the Trust Board of material controls issues; monitor the implementation of agreed audit recommendations; ensure that any allegations of fraud or irregularity are appropriately investigated and control weaknesses addressed; meet with the external auditor and internal auditor at least once per year and report its findings annually.

The AC will consist of up to four members from LGBs. Additionally, up to two external co-opted members may also be appointed. 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 subcommittee. The AC will be quorate if two members are present and more than 50% of those members present are members of LGBs. The AC will normally meet at least once per term and not

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

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.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Pearson, Chairman	3	3
Mr C Key	3	3
Ms L Campbell	3	3

Review of value for money

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

We have conducted a review during the year for each academy as to how much investment capacity is generated by the Charitable Trust compared with each academy'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 showing that for each £1 of top slice paid by each academy, the return to each academy is, on average, at least £1.95 (2018: £2.38). The 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 academies, the principle procurement areas being: IT, professional services, and food.
- Income generated by the central team from grants and consulting

Aggregate Added Value 2019	£k
Top slice charged	1,763
Capital Grants	2,300
Central Procurement savings	718
Other Income generated by the Trust	424
Value added by the MAT	3,442
£ Value added : £1 top slice	£ 1.95

The added value excludes any perceived value which central team members might bring to academies. We believe the above shows strong added value overall as nearly £2 value is added by the Charitable Trust for each £1 invested in top slice.

We continue to look into other areas for cost savings, including educational resources, waste, support staff, recruitment and energy.

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 2018/19 was under 40 days and we aim to move towards 30 days, balanced with the need to manage cash flow.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Charitable Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Charitable Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The 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:

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint W3 as internal auditor.

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

- management of capital projects
- due diligence into a new Academy
- management of educational visits
- effectiveness of purchase ordering
- review of management account information
- review of payroll procedures

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

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (CONTINUED)

The internal auditor has delivered their schedule of work as planned and there were no matters of significance to report.

Review of effectiveness

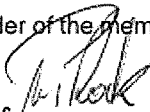
As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the board of Trustees on 17/12/19 and signed on their behalf by:

Dr W P Rock
Chair of Trustees



C Maclean
Mrs C Maclean
Accounting Officer

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Tudor Grange Academies Trust I have considered my responsibility to notify the Charitable Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Charitable Trust, under the funding agreement in place between the Charitable 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 2018.

I confirm that I and the Charitable Trust's board of Trustees are able to identify any material irregular or improper use of all funds by the Charitable Trust, or material non-compliance with the terms and conditions of funding under the Charitable Trust's funding agreement and the Academies Financial Handbook 2018.

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



Mrs C Maclean
Accounting Officer

Date: 17/12/19

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

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 & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

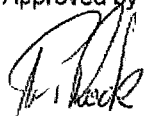
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on ^{17/12/19} and signed on its behalf by:



Dr W P Rock
Chair of Trustees

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' 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 'charitable trust') for the year ended 31 August 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable 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 Charitable 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 AUDITORS' 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 Auditors' 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 Charitable 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 AUDITORS' 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 Charitable 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 Charitable Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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. This description forms part of our Auditors' 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: *19th December 2019*

**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**

In accordance with the terms of our engagement letter dated 11 December 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, 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 2018 to 31 August 2019 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 the 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 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

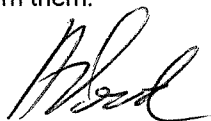
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Charitable Trust's income and expenditure.

**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)**

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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Wood FCCA (Reporting Accountant)

Bishop Fleming LLP

1-3 College Yard
Worcester
WR1 2LB

Date: *19th December 2019*

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
INCOME FROM:						
Donations and capital grants:	4					
Surplus on joining		3,625,301	(1,552,859)	20,708,560	22,781,002	5,394,183
Other donations and capital grants		36,158	-	2,465,139	2,501,297	5,658,653
Charitable activities	5	1,826,704	35,301,279	-	37,127,983	27,054,416
Teaching schools	36	-	318,396	-	318,396	383,421
Other trading activities	6	599,678	-	-	599,678	473,249
Investments	7	34,892	-	-	34,892	1,523
TOTAL INCOME		6,122,733	34,066,816	23,173,699	63,363,248	38,965,445
EXPENDITURE ON:						
Charitable activities	9	3,411,101	35,606,991	2,306,691	41,324,783	31,155,105
Teaching schools	36	-	232,504	-	232,504	263,735
TOTAL EXPENDITURE		3,411,101	35,839,495	2,306,691	41,557,287	31,418,840
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		2,711,632	(1,772,679)	20,867,008	21,805,961	7,546,605
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	28	-	(6,380,000)	-	(6,380,000)	3,084,000
NET MOVEMENT IN FUNDS		2,711,632	(8,152,679)	20,867,008	15,425,961	10,630,605
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(10,327,961)	68,368,744	58,040,783	47,410,178
Net movement in funds		2,711,632	(8,152,679)	20,867,008	15,425,961	10,630,605
TOTAL FUNDS CARRIED FORWARD	21	2,711,632	(18,480,640)	89,235,752	73,466,744	58,040,783

The Statement of financial activities includes all gains and losses recognised in the year.

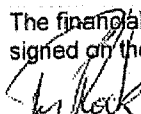
The notes on pages 32 to 64 form part of these financial statements.

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07365748

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	15	89,135,485	65,250,455
CURRENT ASSETS			
Stocks	16	51,857	30,517
Debtors	17	2,689,873	4,588,816
Cash at bank and in hand		5,830,202	2,475,125
		<u>8,571,932</u>	<u>7,094,458</u>
Creditors: amounts falling due within one year	18	(4,931,968)	(3,786,591)
		<u>3,639,964</u>	<u>3,307,867</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>92,775,449</u>	<u>68,558,322</u>
Creditors: amounts falling due after more than one year	19	(565,705)	(753,539)
NET ASSETS EXCLUDING PENSION LIABILITY			
		<u>92,209,744</u>	<u>67,804,783</u>
Defined benefit pension scheme liability	28	(18,743,000)	(9,764,000)
TOTAL NET ASSETS			
		<u><u>73,466,744</u></u>	<u><u>58,040,783</u></u>
FUNDS OF THE CHARITABLE TRUST			
Restricted funds:			
Fixed asset funds	21	89,235,752	68,368,744
Restricted funds	21	262,360	(563,961)
Pension reserve	21	(18,743,000)	(9,764,000)
		<u>70,755,112</u>	<u>58,040,783</u>
Total restricted funds	21	70,755,112	58,040,783
Unrestricted funds	21	2,711,632	-
		<u>73,466,744</u>	<u>58,040,783</u>
TOTAL FUNDS			
		<u><u>73,466,744</u></u>	<u><u>58,040,783</u></u>

The financial statements on pages 29 to 64 were approved by the Trustees, and authorised for issue on 17/12/19 and are signed on their behalf, by:


Dr W P Rock
Chair of Trustees

The notes on pages 32 to 64 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 2019**

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	23	6,440,034	(1,308,806)
CASH FLOWS FROM INVESTING ACTIVITIES	25	(2,950,769)	239,552
CASH FLOWS FROM FINANCING ACTIVITIES	24	(134,188)	729,612
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		3,355,077	(339,642)
Cash and cash equivalents at the beginning of the year		2,475,125	2,814,767
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26	5,830,202	2,475,125

The notes on pages 32 to 64 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 2019**

1. GENERAL INFORMATION

Tudor Grange Academies 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 Charitable 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Tudor Grange Academies Trust meets the definition of a public benefit entity under FRS 102.

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 Charitable 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 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 they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charitable Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charitable Trust, can be reliably measured.

- **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.

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

Where assets and liabilities are received on the transfer of an existing academy into the Charitable 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 Charitable Trust. An equal amount of income is recognised for the transfer of an existing academy into the Charitable 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 Charitable Trust's educational operations, including support costs and costs relating to the governance of the Charitable 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 Charitable Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS

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

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

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 straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

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 Charitable 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. ACCOUNTING POLICIES (continued)

2.11 FINANCIAL INSTRUMENTS

The Charitable Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charitable 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 17. 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 18 and 19. 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 Charitable 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 Charitable 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 Charitable 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 Academy 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 Academy Trust does not have control over the charitable application of the funds. The Academy 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 33.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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 Charitable 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 Charitable Trust 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 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

'The Charitable Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Charitable 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.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DONATIONS				
Surplus on joining (note 35)	3,625,301	19,155,701	22,781,002	5,394,183
Donations	36,158	-	36,158	33,673
Capital grants	-	2,465,139	2,465,139	5,624,980
SUBTOTAL	36,158	2,465,139	2,501,297	5,658,653
TOTAL 2019	3,661,459	21,620,840	25,282,299	11,052,836
TOTAL 2018	33,673	11,019,163	11,052,836	

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

5. FUNDING FOR THE CHARITABLE TRUST'S EDUCATION

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
DFE/ESFA GRANTS				
General Annual Grant	-	32,509,527	32,509,527	23,541,195
Other DfE/EFSA grants	-	2,387,323	2,387,323	1,691,098
	-	34,896,850	34,896,850	25,232,293
Other Government grants				
High Needs	-	396,742	396,742	291,662
Other government grants	-	7,687	7,687	4,639
	-	404,429	404,429	296,301
Other funding				
Internal catering income	1,482,546	-	1,482,546	1,233,858
Sales to students	5,979	-	5,979	1,990
Other	-	-	-	21,438
Nursery income	338,179	-	338,179	268,536
	1,826,704	-	1,826,704	1,525,822
TOTAL 2019	1,826,704	35,301,279	37,127,983	27,054,416
TOTAL 2018 AS RESTATED	1,525,822	25,528,594	27,054,416	

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	217,519	217,519	84,626
Consultancy	-	-	247,990
Donation	-	-	12,878
Other	382,159	382,159	127,755
TOTAL 2019	599,678	599,678	473,249

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. INCOME FROM OTHER TRADING ACTIVITIES (CONTINUED)

In 2018, all income from other trading activities related to the unrestricted fund.

7. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	34,892	34,892	1,523
TOTAL 2019	<u>34,892</u>	<u>34,892</u>	<u>1,523</u>

In 2018, all investment income related to the unrestricted fund.

8. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
EDUCATION:					
Direct costs	26,556,060	-	2,663,587	29,219,647	20,099,126
Support costs	2,923,597	3,559,202	5,622,337	12,105,136	11,055,979
Teaching school	184,665	-	47,839	232,504	263,735
TOTAL 2019	<u>29,664,322</u>	<u>3,559,202</u>	<u>8,333,763</u>	<u>41,557,287</u>	<u>31,418,840</u>
TOTAL 2018	<u>23,189,883</u>	<u>2,987,353</u>	<u>5,241,604</u>	<u>31,418,840</u>	

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	29,219,647	12,105,136	41,324,783	31,155,105
TOTAL 2019	<u>29,219,647</u>	<u>12,105,136</u>	<u>41,324,783</u>	<u>31,155,105</u>
TOTAL 2018	<u>20,099,126</u>	<u>11,055,979</u>	<u>31,155,105</u>	

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Total funds 2019 £	As restated Total funds 2018 £
Pension finance costs	215,600	189,000
Staff costs	25,828,169	18,027,307
Educational supplies	1,116,383	695,268
Examination fees	554,752	385,338
Staff development	115,938	76,991
Other costs	208,003	57,866
Supply teachers	727,891	444,974
Catering	46,645	10,048
Education services	406,266	212,334
TOTAL 2019	29,219,647	20,099,126

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Pension finance costs	92,400	111,000
Staff costs	2,923,597	4,527,076
Depreciation	2,306,691	2,224,987
Other costs	125,372	-
Recruitment and support	155,187	106,769
Maintenance of premises and equipment	2,326,316	660,324
Cleaning	82,940	201,200
Rent and rates	253,619	159,229
Energy costs	805,111	580,721
Insurance	146,936	101,802
Security and transport	91,216	157,129
Catering	1,234,748	944,426
Technology costs	950,687	856,192
Office overheads	261,722	230,260
Legal and professional	291,565	138,157
Bank interest and charges	8,961	7,032
Governance costs	48,068	49,675
TOTAL 2019	12,105,136	11,055,979

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	25,097	99,779
Depreciation of tangible fixed assets	2,274,330	2,224,987
Fees paid to auditors for:		
- audit	28,150	28,150
- other services	6,200	4,175

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. STAFF COSTS

a. STAFF COSTS

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	22,969,992	17,520,730
Social security costs	2,243,280	1,721,685
Pension costs	3,723,159	3,502,494
	<u>28,936,431</u>	<u>22,744,909</u>
Agency staff costs	727,891	444,974
	<u>29,664,322</u>	<u>23,189,883</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Severance payments	150,630	7,000
	<u>150,630</u>	<u>7,000</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £68,974 (2018 - £7,000). This was made up of 4 payments of £2,386, £11,308, £48,946 and £6,334.

c. STAFF NUMBERS

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

	2019 No.	2018 No.
Administrative and Support	350	331
Teachers	403	302
Management	50	39
	<u>803</u>	<u>672</u>

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. STAFF COSTS (CONTINUED)

d. HIGHER PAID STAFF

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	16	12
In the band £70,001 - £80,000	5	3
In the band £80,001 - £90,000	7	3
In the band £90,001 - £100,000	2	4
In the band £100,001 - £110,000	1	1
In the band £140,001 - £150,000	1	1
	<u><u>16</u></u>	<u><u>12</u></u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the key management personnel as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers National Insurance) received by key management personnel for their services to the Academies Trust was £1,819,655 (2018 - £1,361,238).

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. CENTRAL SERVICES

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

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

The Charitable Trust charges for these services on the following basis:

The Academies Trust charged for these services on a fair basis as agreed between the Executive Principal and Academy Principals, being 5.5% of GAG for Secondary schools, 4% of 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:

	2019 £	2018 £
TGPA Haselor	12,912	9,864
TG Samworth Academy	242,712	225,969
TGA Redditch	98,100	122,640
TGA Solihull	397,836	348,000
TGPA St James	36,840	35,436
TGA Worcester	294,684	282,000
Robert Smyth Academy	245,520	218,000
TGA Kingshurst	434,760	-
TOTAL	1,763,364	1,241,909

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 August 2019, expenses totalling £1,751 were reimbursed or paid directly to 4 Trustees (2018 - £1,308 to 4 Trustees).

14. TRUSTEES' AND OFFICERS' INSURANCE

The Charitable Trust has opted into the Department of 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.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

15. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2018	72,654,077	2,788,008	3,597,090	34,747	79,073,922
Additions	4,496,018	126,271	828,511	-	5,450,800
Transfers intra group	24,593,094	3,561,321	3,469,332	-	31,623,747
At 31 August 2019	<u>101,743,189</u>	<u>6,475,600</u>	<u>7,894,933</u>	<u>34,747</u>	<u>116,148,469</u>
DEPRECIATION					
At 1 September 2018	8,714,002	2,157,997	2,917,791	33,677	13,823,467
Charge for the year	1,912,020	152,347	209,963	-	2,274,330
Transfers intra group	4,907,555	3,030,276	2,977,356	-	10,915,187
At 31 August 2019	<u>15,533,577</u>	<u>5,340,620</u>	<u>6,105,110</u>	<u>33,677</u>	<u>27,012,984</u>
NET BOOK VALUE					
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>
At 31 August 2018	<u>63,940,075</u>	<u>630,011</u>	<u>679,299</u>	<u>1,070</u>	<u>65,250,455</u>

16. STOCKS

	2019 £	2018 £
Catering supplies and uniforms	<u>51,857</u>	<u>30,517</u>

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

17. DEBTORS

	2019 £	2018 £
DUE WITHIN ONE YEAR		
Trade debtors	92,989	120,087
Other debtors	102,883	83,378
Prepayments and accrued income	1,795,180	3,925,530
Tax recoverable	698,821	459,821
	<u>2,689,873</u>	<u>4,588,816</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other loans	20,388	20,388
ESFA loans	124,115	70,469
Trade creditors	1,873,881	2,083,228
Other taxation and social security	534,745	417,070
Other creditors	1,133,027	664,546
Accruals and deferred income	1,245,812	530,890
	<u>4,931,968</u>	<u>3,786,591</u>
	2019 £	2018 £
Deferred income at 1 September 2018	129,595	87,311
Resources deferred during the year	383,207	129,595
Amounts released from previous periods	(129,595)	(87,311)
	<u>383,207</u>	<u>129,595</u>

At the balance sheet date the Charitable Trust was holding funds received in advance for Universal Free School Meals and other funding relating to the 2019/20 year.

Included within other loans due within one year are two interest free Salix loans totalling £20,388 (2018: £20,388). The balance represents amounts due to be paid within one year on two Salix Loans from the ESFA. These are 8 year interest free loans repayable in 16 equal, six-monthly instalments. The loans funded boiler refurbishment at TGA Solihull and TGA Redditch.

Included within ESFA loans due within one year is an ESFA loan of £124,115 (2018: £70,469). 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.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loans	53,620	74,008
Other loans	512,085	679,531
	<u>565,705</u>	<u>753,539</u>

Included within other loans due after more than one year are two interest free Salix loans totalling £53,620 (2018: £74,008). The balance represents amounts due to be paid after more than one year on two Salix Loans from the ESFA. These are 8 year interest free loans repayable in 16 equal, six-monthly instalments. The loans funded boiler refurbishment at TGA Solihull and TGA Redditch.

Included within ESFA loans due after more than one year is an ESFA loan of £512,085 (2018: £679,531). 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.

20. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets measured at amortised cost	<u>7,106,837</u>	<u>6,599,063</u>
	2019 £	2018 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(4,579,721)</u>	<u>(3,993,465)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors, VAT recoverable and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and ESFA loans.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS					
General Funds	-	6,122,733	(3,411,101)	-	2,711,632
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	(727,668)	32,548,668	(31,821,000)	-	-
Higher Needs funding (SEN)	-	396,742	(396,742)	-	-
Pupil Premium (PP)	-	1,518,398	(1,518,398)	-	-
Other ESFA	-	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>
RESTRICTED FIXED ASSET FUNDS					
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 and other equivalent funds (CIF)	361,451	-	(38,730)	-	322,721
School Condition Allocation (SCA)	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>
TOTAL RESTRICTED FUNDS	<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>
TOTAL FUNDS	<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>

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

Restricted Funds:

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. STATEMENT OF FUNDS (CONTINUED)

Higher Needs (SEN) - Funding received from the Local Authority to fund further support for students with additional needs.

Pupil Premium (PP) - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other ESFA grants - Grants received from the ESFA for specific purposes.

Teaching School (including SCITT) - Income which is used to fund trainee teachers that are learning in house, rather than through university.

Other grants - Includes income which has been received from the government for specific reasons and also universal infants free school meals income.

Pension reserve - This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

Fixed Asset Funds:

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Devolved Formula Capital (DFC) - This represents funding from the ESFA to cover the maintenance and purchase of the MAT's assets.

Conditional Improvement and other equivalent funding (CIF) - This represents funding from the ESFA to cover the purchase of capital assets for the schools within the MAT, relating to energy improvement in 2015. This fund includes previous equivalent funds.

School Condition Allocation (SCA) - This represents funding from the ESFA to cover the purchase of capital assets for the schools within the MAT.

Capital Extension Grant - This represents funding from the Local Authority received specifically for the extension works at Tudor Grange Academy Worcester.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Charitable Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
TGPA Haselor	(119,958)	(86,289)
TG Samworth Academy	773,077	587,019
TGA Redditch	(734,466)	(334,542)
TGA Solihull	182,413	8,000
TGPA St James	725,170	574,229
TGA Trust	(623,620)	(210,368)
TGA Worcester	(58,141)	(40,399)
Robert Smyth Academy	(873,423)	(1,061,611)
TGA Kingshurst	3,702,940	-
Total before fixed asset funds and pension reserve	<u>2,973,992</u>	<u>(563,961)</u>
Restricted fixed asset fund	89,235,752	68,368,744
Pension reserve	<u>(18,743,000)</u>	<u>(9,764,000)</u>
TOTAL	<u><u>73,466,744</u></u>	<u><u>58,040,783</u></u>

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

	Deficit £
TGPA Haselor	119,958
TGA Redditch	734,466
TGA Trust	623,620
TGA Worcester	58,141
Robert Smyth Academy	<u><u>873,423</u></u>

21. STATEMENT OF FUNDS (CONTINUED)

The Charitable Trust is taking the following action to return the academies to surplus:

TGA Haselor

TGPA Haselor has suffered low pupil numbers since transfer into the Trust as there have been significant surplus places in local schools. However, in 2018/19 NOR has risen significantly. Notwithstanding this, staffing has been re structured and significant capital investment was made in 2016 to change the learning environment; this investment continues to have the noted positive impact upon pupil numbers. We currently project an increase in pupil numbers which, combined with continued robust staff and non-staff cost control, will enable the academy to return to in year surplus in 2019/20.

TGA Redditch

TGA Redditch continues to evidence very low NOR. This has been the subject of discussion with the RSC West Midlands office, with our DfE representative and with the former National Commissioner since 2015. In September 2019, the Trustees consulted on the following three main changes:

1. Age range change: revert back to High School status
 2. Expansion of the current Mainstream Autism Base to include new specialist facilities in a dedicated building
 3. Sports Centre: refurbishment of the roof and facilities allowing for the re-opening of the Swimming Pool for community use, beginning a programme of investment in the improvement of the TGAR site.
- This consultation has been positively received which is crucial to reducing the deficit.

TGA Trust

Reserves at centre reflects continued investment in school to school support and in improving recently joined academies, balanced with minimising costs through procurement efficiencies and with income generation from the central team. The Charitable Trust as a whole has significant cash and reserves to fund continued school to school support over the medium term.

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 74% of total income. It is anticipated TGA Worcester will return to cumulative GAG surplus in 2020/21 following an increase in PAN by 30 each year, which commenced September 2017 and will continue to be supported by in year incremental funding from the Local Authority until 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 evidenced a surplus in 2018/19.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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 2019 £	Total 2018 £
TGPA Haselor	176,576	107,275	17,971	123,036	424,858	408,782
TG Samworth Academy	2,742,258	1,254,343	169,254	1,140,700	5,306,555	5,778,789
TGA Redditch	1,122,085	569,436	63,505	640,063	2,395,089	2,589,434
TGA Solihull	4,251,049	1,679,935	221,011	1,453,843	7,605,838	7,230,825
TGPA St James	545,269	242,461	41,351	211,366	1,040,447	1,008,219
TGA Trust	-	1,571,083	17,312	1,011,893	2,600,288	1,921,544
TGA Worcester	3,137,001	1,428,827	189,233	1,066,077	5,821,138	5,537,974
Robert Smyth Academy	2,306,087	995,716	123,935	1,043,462	4,469,200	4,418,286
TGA Kingshurst	4,547,499	1,560,531	272,838	2,199,315	8,580,183	-
CHARITABLE TRUST	18,827,824	9,409,607	1,116,410	8,889,755	38,243,596	28,893,853

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS					
General funds	646,477	2,034,267	(2,680,744)	-	-
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	-	22,520,546	(23,248,214)	-	(727,668)
Higher Needs funding (SEN)	-	291,662	(291,662)	-	-
Pupil Premium (PP)	-	1,037,195	(1,037,195)	-	-
Other ESFA	-	653,903	(653,903)	-	-
Teaching School (including SCITT)	56,782	374,876	(267,951)	-	163,707
Other grants	-	13,184	(13,184)	-	-
Pension reserve	(9,788,000)	(2,059,000)	(1,001,000)	3,084,000	(9,764,000)
	<u>(9,731,218)</u>	<u>22,832,366</u>	<u>(26,513,109)</u>	<u>3,084,000</u>	<u>(10,327,961)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	49,811,894	8,473,832	(916,391)	-	57,369,335
Devolved Formula Capital (DFC)	46,043	-	(25,358)	-	20,685
Condition Improvement and other equivalent funds (CIF)	400,181	-	(38,730)	-	361,451
School Condition Allocation (SCA)	3,986,801	2,124,980	(1,244,508)	-	4,867,273
Capital Extension Grant	2,250,000	3,500,000	-	-	5,750,000
	<u>56,494,919</u>	<u>14,098,812</u>	<u>(2,224,987)</u>	<u>-</u>	<u>68,368,744</u>
TOTAL RESTRICTED FUNDS	<u>46,763,701</u>	<u>36,931,178</u>	<u>(28,738,096)</u>	<u>3,084,000</u>	<u>58,040,783</u>
TOTAL FUNDS	<u>47,410,178</u>	<u>38,965,445</u>	<u>(31,418,840)</u>	<u>3,084,000</u>	<u>58,040,783</u>

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	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)
TOTAL	<u>2,711,632</u>	<u>(18,480,640)</u>	<u>89,235,752</u>	<u>73,466,744</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	65,250,455	65,250,455
Current assets	1,413,421	4,353,906	7,094,458
Creditors due within one year	(1,297,851)	(1,161,609)	(3,786,591)
Creditors due in more than one year	(679,531)	(74,008)	(753,539)
Provisions for liabilities and charges	(9,764,000)	-	(9,764,000)
TOTAL	<u>(10,327,961)</u>	<u>68,368,744</u>	<u>58,040,783</u>

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

23. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	21,805,961	7,546,605
ADJUSTMENTS FOR:		
Depreciation	2,274,330	2,224,987
Capital grants from DfE and other capital income	(2,465,139)	(5,624,980)
Interest receivable	(34,892)	(1,523)
Defined benefit pension scheme cost less contributions payable	699,000	701,000
Defined benefit pension scheme finance cost	308,000	300,000
Increase in stocks	(21,340)	(10,064)
Decrease/(increase) in debtors	1,898,943	(1,425,436)
Increase in creditors	1,091,731	1,581,667
Funds brought in on joining the Trust	(19,116,560)	(6,601,062)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	6,440,034	(1,308,806)

24. CASH FLOWS FROM FINANCING ACTIVITIES

	2019 £	2018 £
Cash inflows from new borrowing	-	750,000
Repayments of borrowing	(134,188)	(20,388)
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(134,188)	729,612

25. CASH FLOWS FROM INVESTING ACTIVITIES

	2019 £	2018 £
Interest received	34,892	1,523
Purchase of tangible fixed assets	(5,450,800)	(5,386,951)
Capital grants from DfE Group	2,465,139	5,624,980
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(2,950,769)	239,552

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	5,830,202	2,475,125
TOTAL CASH AND CASH EQUIVALENTS	5,830,202	2,475,125

27. CAPITAL COMMITMENTS

	2019 £	2018 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	957,555	118,043

The capital commitments relate to capital works contracted for at Tudor Grange Academy Solihull. The cost of these works are covered by the Solihull Capacity Grant to be received from Solihull Metropolitan Borough Council.

28. PENSION COMMITMENTS

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

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

Contributions amounting to £459,751 were payable to the schemes at 31 August 2019 (2018 - £344,759) 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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

28. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £2,009,784 (2018 - £1,575,881).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £1,494,000 (2018 - £1,247,000), of which employer's contributions totalled £1,193,000 (2018 - £989,000) and employees' contributions totalled £301,000 (2018 - £258,000). 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 Kingshurst
Warwickshire County Council Pension Scheme: TGPA Haselor
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.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

28. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.40	3.40
Rate of increase for pensions in payment / inflation	2.22	2.28
Discount rate for scheme liabilities	1.85	2.76
Inflation assumption (CPI)	2.15	2.10

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.0	22.3
Females	24.5	24.8
<i>Retiring in 20 years</i>		
Males	23.8	24.3
Females	26.5	26.9

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	14,052,000	10,360,000
Bonds	4,493,000	2,941,000
Property	1,810,000	1,288,000
Cash	740,000	378,000
Other bonds	498,000	434,000
Other	1,566,000	539,000
Total market value of assets	23,159,000	15,940,000

The actual return on scheme assets was £1,375,000 (2018 - £670,000).

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

28. PENSION COMMITMENTS (CONTINUED)

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(1,733,000)	(1,680,000)
Interest income	583,000	366,000
Interest cost	(885,000)	(666,000)
Total	(2,035,000)	(1,980,000)

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

	2019 £	2018 £
At 1 September	25,704,000	20,939,000
Transferred in on existing Academies joining the Trust	6,294,000	5,227,000
Current service cost	1,733,000	1,680,000
Interest cost	885,000	666,000
Employee contributions	301,000	258,000
Actuarial gains	7,113,000	(2,816,000)
Benefits paid	(287,000)	(260,000)
Past service costs	159,000	10,000
At 31 August	41,902,000	25,704,000

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

	2019 £	2018 £
At 1 September	15,940,000	11,151,000
Transferred in on existing Academies joining the Trust	4,702,000	3,168,000
Interest income	583,000	366,000
Actuarial gains	733,000	268,000
Employer contributions	1,193,000	989,000
Employee contributions	301,000	258,000
Benefits paid	(287,000)	(260,000)
Administration expenses	(6,000)	-
At 31 August	23,159,000	15,940,000

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

Breakdown of Trust pension liability by school:

	2019 £	2018 £
TGPA Haselor	(221,000)	(78,000)
TG Samworth Academy and RSA	(7,933,000)	(3,742,000)
TGA Redditch	(1,672,000)	(1,183,000)
TGA Solihull, TGPA St James and TGA Kingshurst	(6,106,000)	(3,019,000)
TGA Worcester	(2,811,000)	(1,742,000)
Total	(18,743,000)	(9,764,000)

29. OPERATING LEASE COMMITMENTS

At 31 August 2019 the Charitable Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	117,265	25,097
Later than 1 year and not later than 5 years	109,710	15,056
	226,975	40,153

30. 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

31. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 13.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

32. POST BALANCE SHEET EVENTS

On 1 September 2019, Tudor Grange Primary Academy Yew Tree joined Tudor Grange Academies Trust. All assets and liabilities were transferred at the date. The results of Tudor Grange Primary Academy Yew Tree from this date forwards will be included within the financial statements of Tudor Grange Academies Trust.

On 2 September 2019, Tudor Grange Primary Academy Meon Vale was set up by Tudor Grange Academies Trust as a free school. The results of Tudor Grange Primary Academy Meon Vale will be included within the financial statements for Tudor Grange Academies Trust going forwards.

33. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2019 the Academy received £65,437 (2018: £85,828) and disbursed £137,017 (2018: £31,168) from the fund. An amount of £121,954 (2018: £67,294) was brought forwards and £50,014 (2015: £121,954) is included in other creditors relating to undistributed funds that is repayable to ESFA.

34. PRIOR YEAR RECLASSIFICATION

Teaching school income was previously included in charitable activities. However, due to the amounts involved and the requirements to disclose teaching school income and expenditure separately in the financial statements, this income is now shown separately in the Statement of Financial Activities. The comparatives have also therefore been amended to show the teaching school separately. There is no adjustment to the results for the year, or funds carried forward, as a result of this reclassification. The teaching school trading account is disclosed separately in note 36.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

35. TRANSFER OF EXISTING ACADEMIES INTO THE CHARITABLE TRUST

CTC Kingshurst Academy

	Value reported by transferring trust £	Transfer in recognised £
TANGIBLE FIXED ASSETS		
Long-term leasehold property	19,686,000	19,686,000
Furniture and equipment	532,000	532,000
Computer equipment	493,000	493,000
CURRENT ASSETS		
Debtors due within one year	458,000	458,000
Cash at bank and in hand	3,964,000	3,964,000
LIABILITIES		
Creditors due within one year	(758,000)	(758,000)
PENSIONS		
Pensions - pension scheme liabilities	(1,592,000)	(1,592,000)
NET ASSETS		
	<u>22,783,000</u>	<u>22,783,000</u>

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

36. TEACHING SCHOOL TRADING ACCOUNT

	2019 £	2019 £	2018 £	2018 £
Income				
DIRECT INCOME				
Teaching school	318,396		383,421	
TOTAL INCOME		318,396		383,421
Expenditure				
DIRECT EXPENDITURE				
Direct staff costs	184,665		190,526	
Educational supplies	47,839		73,209	
TOTAL DIRECT EXPENDITURE	232,504		263,735	
TOTAL EXPENDITURE		232,504		263,735
Surplus from all sources		85,892		119,686
Teaching school balances at 1 September 2018		176,468		56,782
TEACHING SCHOOL BALANCES AT 31 AUGUST 2019		262,360		176,468