

Company Registration Number: 07634106 (England & Wales)

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

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REACH ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Reach Foundation Jon McGoh Julie Laughton Tom Collins David Dowding
Trustees	Judith Tacon (Chair of Trustees) Jen Baxter (Chair of Finance, Audit and Risk Committee to 9 December 2020) Jon McGoh Ed Vainker Rebecca Cramer Tom Sawbridge (Chair of Reach Academy Feltham LGB) David Dowding Emma Luxton Iain Gravestock (appointed 1 July 2020 as Trustee, appointed 9 December 2020 as Chair of Finance, Audit and Risk Committee)
Company registered number	07634106
Company name	Reach Academy Trust
Principal and registered office	53-55 High Street Feltham Middlesex TW13 4AB
Company secretary	D Dowding
Senior management team	Rebecca Cramer, Director of Education to 31 August 2020, Executive Headteacher and Accounting Officer since 1 September 2020 Ed Vainker, Executive Headteacher and Accounting Officer to 31 August 2020 Beck Owen, Secondary Headteacher Matilda Browne, Primary Headteacher Hannah Pope, Director of Operations Fiona Dyke, Deputy Headteacher Phil Fowkes, Assistant Headteacher Francesca Reid, Assistant Headteacher Jon Hutchinson, Assistant Headteacher Georgia Strong, Designated safeguarding lead Francesca Williams, Appointed Assistant Headteacher 1 September 2020 Claire Couves, Appointed Associate Assistant Headteacher 1 September 2020 Ciaran Fitzgerald, Appointed Operations Manager 1 September 2020 Verity Howorth, Assistant Headteacher Resigned 31 August 2020
Independent auditor	MHA Macintyre Hudson Chartered Accountants 2 London Wall Place London EC2Y 5AU

REACH ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The financial statements have been prepared 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 the ESFA, the Charities Act 2011 and the Companies Act 2006.

The Academy Trust operates an academy for pupils aged 4 to 19 (and a nursery for children aged 2-4) serving a catchment area in Feltham in the Borough of Hounslow. The nursery has a PAN for 78 pupils over 2 sessions aged 3-4 and 8 pupils aged 2 over 2 sessions. The primary (Reception-Year 6) has a PAN for 420 and the secondary (Year 7-11) has a PAN for 300 pupils. In the October 2020 census Reach Academy Feltham recorded 78 pupils in the nursery, 420 pupils in primary, 304 pupils in secondary and 94 pupils in the sixth form. In total there were 896 pupils on roll in the Autumn 2020 census.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy.

The Trustees of Reach Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Reach Academy Trust.

Details of the Trustees who served during the year and to the date these accounts are approved and are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Academy Trust deed. The Trustees may appoint Trustees, whose term of office shall be four years, save that this time limit shall not apply to the Executive Headteacher who shall be treated for all purposes as being an ex-officio Trustee. Subject to remaining eligible to be a particular type of Trustee, any Governor may be reappointed or re-elected. The Trustees who served during the year are listed on page 1.

e. Policies adopted for the induction and training of Trustees

The training and induction procedures for new Trustees will depend on their existing experience. Where necessary induction will include training on educational, legal and financial and safeguarding matters. All new Trustees will be given the opportunity of a tour of the facilities, have the chance to meet with staff and students and are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to fulfil their role as Trustees. As there is expected to be only a small number of new Trustees each year, induction will be carried out informally and will be tailored specifically to the individual.

f. Organisational structure

The Academy Trust's organisational structure consists of four levels: the Members, the Trustees, Local Governing Body and the Senior Leadership Team (SLT). The Members meet on an annual basis to receive the annual accounts, note any Trustee appointments or reappointments, and review the overall operation of the Academy Trust. The Trustees are responsible for setting strategy and direction, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy Trust, approving major items of expenditure and making senior staff appointments. The Local Governing Body is responsible for supporting and challenging the school's Executive Headteacher along with the Primary and Secondary Headteacher, monitoring the school's performance and supporting the smooth running of the school. All groups have approved terms of reference which are set out in the Trust's scheme of delegation. During the year in question the MAT Board met on 4 occasions. The SLT controls the Academy Trust at an executive level, implements the policies laid down by the Trustees and reports back to them. Members of the SLT are responsible for developing and implementing Academy Trust plans which seek to deliver the best possible education for its students within the agreed budget and scheme of delegation approved by the Trustee Board. They are responsible for managing the day to day operation of the Academy Trust, specifically staff, facilities and students.

g. Arrangements for setting pay and remuneration of key management personnel

Key management personnel comprise the Trustees and Senior Leaders. Trustees are not remunerated in their capacity as a Trustee. The remuneration of Senior Leaders is determined by the Pay Policy which is reviewed annually by the Trustees. The Executive Headteacher's pay is determined by the Chair of the MAT Board with a sub-committee of Trustees. The school leadership team have their performance management carried out by the Executive Headteacher in accordance with the pay policy as approved by Trustees.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Academy Trust does not have any formal relationships with other schools in the geographical or any other area but will seek to build such relationships as they evolve.

E Vainker is a Trustee of Hounslow Education Partnership which is a related party. In the year 2019-2020 the Trust received services from the Hounslow Education Partnership. The invoices throughout the year amounted to £11,662.

R Cramer is a Trustee of First Give which is a related party however no payments were made this academic year due to Covid-19 school closure.

The Reach Foundation is the corporate member of the Reach Academy Trust. As part of its charitable activities it runs a cradle to career support organisation called the Reach Children's Hub in Feltham which works closely with the school. The Foundation has a service level agreement with the school to provide administrative and support services to the Reach Children's Hub.

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

Objectives and activities

a. Objects and aims

The Academy Trust's objective is set out in its Articles of Association. This is to establish, maintain, manage and develop an Academy Trust offering a broad curriculum. In accordance with the Articles of Association the Academy Trust has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting students to the Academy Trust, the catchment area from which students are drawn and curriculum requirements.

b. Objectives, strategies and activities

The Trust's vision is that it sets pupils up for lives of choice and opportunity by giving them the skills, attitudes and academic qualifications to flourish in any career and live happy and healthy lives. Particular objectives include:

Pupil Learning – Progress and Attainment – For all of our pupils to make exceptional progress towards getting the academic qualifications and developing the skills and character traits to live happy and fulfilled lives.

Curriculum and Teaching – For our curriculum and our lessons to provide every child with the opportunity to excel in all subjects and for every pupil to be doing challenging, engaging work every day of the school year.

Staffing – Recruitment and Retention – To recruit, retain, induct and train a team of highly effective teachers, leaders and support staff.

Family Engagement – To engage and support all parents in the work of the school in a way that promotes the achievement of our pupils.

Pupil Well-Being – For pupils to enjoy school, feel safe and be able to share difficulties with teachers and peers.

Institutional Sustainability – For the school to have the resources and governance structures to run effectively, along with an excellent reputation, wider influence and systems to promote growth.

Leadership and Culture – For the school to have strong leadership and an inclusive culture aligned with the Reach Academy Trust values that supports everyone, staff and pupils, to do their best work every day.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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

Strategic report

Achievements and performance

COVID-19 Remote Learning Delivery

Below is a summary of our remote learning that was delivered during the Covid-19 lockdown for schools.

Primary

In Primary, pupils received 3 pre-recorded videos a day: one literacy, one maths and one afternoon lesson. The afternoon lessons were two humanities lessons, one science lesson, one art lesson and one Spanish lesson. Pupils completed this work in exercise books that we had sent home and then parents took photos of this and sent them to their class teacher. The class teacher then completed the school-wide accountability document. Where work was not completed, SLT would assign follow up telephone calls to provide additional support.

From May half term, we were able to invite more pupils into the building starting with Nursery, Reception, Year 1 and Year 6. In each of these year groups, we had about 60% of the year group attending and we continued to support the remaining 40% with their online learning. We also expanded the other year group bubbles by inviting in more vulnerable pupils and those whose home learning had been inconsistent. This meant that, by the end of the summer term, each classroom was full with 15 pupils - the maximum in line with DfE guidance.

In addition to this, a number of Primary teachers were involved in Oak National Academy with both the delivery of weekly lessons and then, latterly, in the 'sprint' effort to have resources available for the 2020-2021 academic year. From April to July, we led on EYFS and KS1 Literacy, Primary Humanities, Primary Science, Primary Art, Primary Music and Primary Spanish. Then during the sprint we recorded the Primary Humanities and Primary Science Curriculum alongside the EYFS Understanding the World units.

Secondary

From the first day of lockdown, we were able to enact our robust plan for online learning in Secondary. From Year 7 to Year 10, pupils received four pre-recorded videos per day, covering the entire breadth of their curriculum in school. These lessons were recorded by their teachers, and either followed the curriculum that we would have been teaching in school, or made slight adjustments in the pupils' best interests (for example, not teaching Geography field work). Pupils completed work online, using a mixture of written work and Google Forms, and teachers provided feedback to the whole class, or individually where appropriate. For Year 12, pupils were taught 'live' using Zoom and a mixture of pre-recorded videos. This gave those A Level and BTEC students a chance to discuss their work in more detail. We also provided a number of bridging courses for Year 11 and Year 13 after their exams were cancelled, covering a range of A Level or University subjects and ensuring that pupils were still in education until May half-term.

From May half-term, we were able to invite more pupils in, having 25% of Year groups 7-10 attending lessons in school. These pupils were our most vulnerable pupils, and were taught core subjects by some of our most experienced teachers. This allowed us to ensure that pupils with specific barriers to learning were not falling behind.

As well as this, we focused significantly on engagement and support for pupils, providing weekly assemblies as a year group, weekly catch-ups on Zoom with mini-form groups and many competitions and ways to raise engagement. We tracked all of the work completed online, and this enabled us to reward success (for example, by posting a book each week to the English 'Scholar of the Week') and track pupils who were finding online work more challenging and put in support swiftly.

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

Strategic report (continued)

Achievements and performance (continued)

Attendance Headlines

Below are the figures for whole school attendance including nursery and sixth form (during the lockdown period all pupils were marked as code X: not attending in circumstances relating to coronavirus (COVID-19)):

% authorised absence	3.74%
% unauthorised absence	1.31%
% attendance	94.95%
% persistent absence	11.31%

Below are the figures for attendance from Reception-Year 11:

% authorised absence	3.67%
% unauthorised absence	1.24%
% attendance	95.10%
% persistent absence	11.63%

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

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Given the exceptional nature of the year, it is not possible to report against key performance indicators due to pupils not sitting formal exams. Owing to the pandemic, exams did not take place and so our standard measures at EYFS, Key Stage 1, Key Stage 2, GCSE and A-level are not available.

We have continued to develop our cradle to career model, working alongside our partner organisation, Reach Children's Hub, part of the Reach Foundation, and remain committed to all-through education.

In this context, we are proud of what we have achieved in the past year. Our Year 13 cohort secured some excellent destinations, including our first Oxbridge place, as well as places at Imperial, UCL, LSE and a range of Russell Group Universities. We pay tribute to their resilience and that of all of our students. In addition to this, we were able to continue to support our community throughout the year.

"My kids' class teachers have been very supportive, almost like our second family in these tough times. [They have] made sure we aren't left alone to face the issues with both of us working full time and supporting our kids' class work. Thank you!"

We kept pupils learning

"An incredible virtual learning offer set up within a moment's notice."

"We needed help for my child to complete his work - Reach gave us a Chromebook and now my son is able to do the work."

- Every child was able to access video lessons and has sent in their work to receive personalised feedback
- 6th Formers have accessed live lessons on Zoom and Year 11 and Year 13 students benefited from a series of bridging courses to prepare them for A-level and University courses in September.
- We worked hard to ensure that every child was able to access learning - handing out more than 300 devices, including 30 donated by BP, and helping families get on-line so that their children could carry on learning.
- More than 90% of pupils have completed their work weekly, with 99% of pupils in the school completing school work in this period.
- When we asked our parents for feedback, 99.5% told us that home learning had been helpful, with 67% ranking it very useful.

We understood the needs of our families

"This situation has turned our world upside down, but we are managing to keep our heads above water for the moment."

- We recognised that the pandemic was affecting families in different ways and made sure that we were in touch with every family regularly.
- We called families throughout, seeking to understand the challenges they faced and offering support where it was needed.
- We conducted two surveys, learning that 25% of our families were worried about paying bills in the next month and 40% felt that the lockdown had affected their child's well-being. We used that insight to plan our own support and to lobby locally and nationally for additional resource where needed.

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

Strategic report (continued)

Achievements and performance (continued)

We kept feeding our families

"Food from the school is fantastic support!"

- In partnership with JPL Catering we have kept feeding the community. We continued to feed pupils in the school eligible for free school meals, and also offered the service to two other local schools.
- Over the period we also delivered food to two local care homes and a refuge for women and their children.
- We handed out more than 25,000 meals cooked in school, with a team of parents delivering more than 8,000 to those unable to come and collect.
- We set up a surplus food service to complement the local food bank and had hundreds of vulnerable people collecting food and accessing other support twice a week.
- At different times through this period we have identified 40 families with acute need and have created food parcels that have been delivered to them weekly helping them through particular periods of difficulty.

We provided emotional support

"It's been really tough. Anxiety about the death toll, about going out to buy groceries and fear of what might happen."

- Families have received regular calls and a range of emotional and practical support, including care packages, remote counselling and grants for essentials.
- 97% of parents have found the check-ins with staff helpful, with 63% describing them as very helpful.
- We have made it possible for pupils to continue to access their counsellors and mentors.
- We have worked with Tier 2 CAMHS to support students' emotional well-being as a result of the pandemic - Well-being packs have been sent to a large number of families where there is particular need that has been identified.
- We have continued to make appropriate referrals to services for additional support for families.
- We have given families access to a range of different training and resources to support their children's emotional and mental health.

We brought pupils back into school

- We remained open throughout for the small number of pupils permitted and took the first opportunity to bring back pupils in Nursery, Reception, Year 1 and Year 6.
- We added classes in every year group in Primary and Secondary, focusing on pupils where they needed support with their learning and where parents felt that they most needed to return to school.
- We focused on creating and delivering sessions that focus on mental health and emotional well-being to support pupils in returning to school.
- In response to the lockdown, and time spent indoors, we increased the amount of time that pupils spend doing physical activity.
- We supported our 6th Form pupils to prepare their University applications, giving them the advice and support they need to be ready to apply in the Autumn.

In addition to this work in Feltham, we made a contribution to the wider education system.

Sixth form destinations

We had our first Year 13 attend the University of Cambridge to study English this year.

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

Strategic report (continued)

Achievements and performance (continued)

Other Universities include students attending London School of Economics to study Economics and Politics and History and Politics; King's College London to study International Relations; Southampton to study Nursing; King's College to study Social Sciences and Physics; University College London and Durham to study Psychology; Warwick to study English; Imperial College London to study Biochemistry; University of Bristol to study criminology.

Curriculum Partnership

We developed a subscription model for our curriculum resources and had more than 140 subscribing schools all over the country, accessing resources focused on History and Geography. Over the course of the year we developed Science and RE resources and added them to the site in time for the next academic year.

Ed Tech Demonstrator Programme

We were selected as one of the Ed Tech Demonstrator schools and developed resources to support schools to develop their use of technology. We offered bespoke support focused on providing remote learning to schools across the country.

Oak National Academy

Oak has been one of the biggest successes of the pandemic, and the Trust played an important role in its success. Through the Spring and Summer Primary teachers volunteered to create half of the curriculum content on the site, covering Early Years, English, History, Geography, Science and Creative Arts. In addition, the Trust acted as incubator for the project, employing the Oak team and working with a talented team, the DfE and other stakeholders to bring the project to fruition.

Oak's impact has been significant:

- Up to the end of the academic year, more than 16 million lessons were watched by children around the country and across the world.
- The weekly assemblies were essential viewing, featuring the Archbishop of Canterbury, and the Duchess of Cambridge, among others.
- In July the project passed across to the Reach Foundation and throughout August, 9,000 lessons were created to support schools to manage local lockdowns or cases of classes and year groups going into lockdown this academic year.
- The Oak Principal, Matt Hood, and Curriculum Lead, David Thomas, were awarded OBEs for their work with Oak.

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

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

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

Strategic report (continued)

Achievements and performance (continued)

Financial review

a. Reserves policy

At 31 August 2020 the total funds comprised restricted funds of £17,913,904 analysed into restricted fixed assets funds of £17,712,125, GAG of £201,779 and the pension deficit of £1,461,000. Unrestricted reserves totalled £362,191.

b. Investment policy

During the year the Academy Trust held all its liquid funds in an interest bearing account at a major UK clearing bank with an A1, P1 short-term credit rating. There are no plans to generate a higher return on any future cash balances unless this can be achieved without increasing counterparty credit risk.

c. Principal risks and uncertainties

The principal risks facing the Academy Trust are:

- Covid-19 causing school closure as a result of local or national lockdown which impacts quality of provision – mitigated by a robust remote learning plan in place; communication is quick and clear and full support is available as needed.
- Staff and pupil absence as a result of Covid-19 isolation - national lockdown means that less staff are in school so risk of contagion is lower and therefore absence; twice weekly lateral flow to identify asymptomatic cases.
- Covid-19 staff retention concerns due to the relentless nature of restrictions inside and outside of school – mitigated by well-being and team building events; line management is robust.
- Pupils access to devices inhibits remote learning during lockdown – mitigated by donations of laptops and laptops from the DfE.
- Lettings and other income streams restricted due to Covid-19;
- Recruitment of sixth form is lower than we anticipate – mitigated by continuing to work with partners to create a robust offer; ensure visionary leadership of sixth form.
- Reputational risk - mitigated by maintaining good relations with stakeholders, improving standards in learning and behaviour, and providing a broad-based and relevant curriculum.

Fundraising

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

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

Plans for future periods

We are focusing on delivering a great education for children in Feltham, and building on our remote learning offer during the second lockdown. Priorities include getting the second Reach Academy, approved in 2016, to open as soon as possible. At the moment there is not a confirmed opening date.

In addition to this anticipated growth in Feltham, Trustees have been developing a plan for national growth through future Free School rounds. The Trust is committed to all-through education and its cradle to career model and to building deep relationships in the community. Leaders are identifying groups of people in communities around the country interested in partnering with the Trust to bring the Reach model to other communities. We look forward to an announcement of a new Free School round to be able to make this plan a reality.

Funds held as custodian on behalf of others

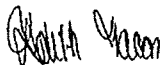
There are no assets subject to custodian arrangements.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 27 January 2021 and signed on its behalf by:



J Tacon
Chair of Trustees

REACH ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

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GOVERNANCE STATEMENT (CONTINUED)

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 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
Judith Tacon (Chair of Trustees)	4	4
Jen Baxter (Chair of Finance, Audit and Risk Committee to 9 December 2020)	4	4
Jon McGoh	4	4
E Vainker, Executive Headteacher and Co-founder	4	4
R Cramer, Director of Education and Co-founder	4	4
T Sawbridge, Chair of Local Governing Body	4	4
David Dowding	4	4
Emma Luxton	4	4
Iain Gravestock (appointed 1 July 2020 as Trustee, appointed 9 December 2020 as Chair of Finance, Audit and Risk Committee)	0	0

There were no significant changes in the composition of the Trustees during the year. They had a broad coverage of work during the year and there were no major challenges that arose in the course of their work.

The Reach Academy Trust Board undertook a self-review in summer 2020 to consider the key knowledge and skills held collectively by the Board. The review showed that Trustees held a strong understanding of their roles and responsibilities, and where to access data and advice as required. During the lockdown period Trustees maintained regular engagement and oversight during the period of Covid-19. Through the review, Trustees identified two skill sets to inform outreach for new trustees and agreed development of a training plan for 2021.

The key themes arising from the quantitative feedback from Board members were as follows:

- Trustees felt clear on their own roles, responsibilities, and where to access data and advice as required.
- Trustees recognised that the trust operates within a quickly evolving landscape within the education sector, particularly during this period of Covid-19.
- Trustees understood the vision and goals of the trust, and had visited the school both for board meetings and other link visits or events during the year.

In terms of briefings and training, Trustees identified the following as areas of interest for further training:

- the Ofsted framework, expectations for curriculum and data;
- special educational needs and disabilities (SEND)
- EYFS and nursery; and
- Diversity and equal opportunities.

In terms of the Board's skills and knowledge, the Board holds confidence in the following areas:

- Skills – the highest scores in terms of skill areas were for stakeholder management, project management and problem solving/ analysis.
- Knowledge – the highest scores in terms of knowledge areas were in school funding, Ofsted, safeguarding and equal opportunities.

The Board may wish to look for additional skills and knowledge based training in the following areas:

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

-Skills – the lowest scoring areas were for accounting, marketing/ communications, teaching and CPD, legal and IT. It is recognised that there are individuals on the Board holding specialist skill sets in many of these areas, and indeed Iain Gravestock joined the board in July 2020 bringing significant experience around accounting and technology.

-Knowledge – the lowest scoring areas were for school data and school buildings and projects.

The finance, audit and risk committee is a sub-committee of the main board of trustees.

The finance, audit and risk committee advises on the adequacy of financial and other controls and risk management arrangements, to direct a programme of internal scrutiny and to consider the results and quality of external audit.

The purpose of the Committee is to:

- provide independent oversight of and advice to the Trust Board on the adequacy and effectiveness of the organisation's financial control and reporting systems;
- recommend to the Members the appointment of suitable External Auditors and to advise the Board on Internal Audit arrangements, taking a risk-based approach to
- commissioning topics of each internal audit report;
- ensure that adequate levels of external and internal audit are maintained and act as a point of escalation for any concerns identified during audit visits;
- to undertake detailed review of the annual budget, annual report and accounts, post-audit report, internal scrutiny report, risk register and policies on behalf of the Board;
- to take such decisions as are devolved to it by the Board - except where the Board has formally delegated decision-making authority to the Committee, its role is advisory.

In 2019/20 the MAT Board Trustees all met once (December 2019) to subsume the role and responsibilities collectively of the finance, audit and risk committee. From January-July 2020 there was a group of three (two MAT Trustees and one committee member) who formed the full committee and met twice.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Baxter	3	3
J Tacon	3	3
A Rocha-Lima (Finance, Audit and Risk Committee member only)	2	2
J McGoh	1	1
E Vainker (Accounting Officer to 31 August 2020)	3	3
R Cramer (Executive Headteacher and Accounting Officer from 1 September 2020)	1	1
T Sawbridge	1	1
D Dowding	1	1
E Luxton	1	1

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

Financial Governance & Oversight

- Management accounts are prepared on a monthly basis for the Senior Leadership Team – these are also periodically taken to, and discussed at, the Finance Audit and Risk Committee, which occur at least termly.
- The school has been awarded two 'unqualified' opinions from our auditors, which demonstrates that the school has robust processes and controls in place.
- The budget-building process starts early in the year and is refined as more information on likely income and expenditure becomes clearer. This is worked on by the Senior Leadership Team and shared with Trustees via the Finance Audit and Risk Committee for challenge, before being approved by the Trustees.
- The school's policy in relation to tendering requires that a variety of quotes are sought for any significant expenditure, depending on value, and that a robust tendering process is in place.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Reach Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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 Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- 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, Audit and Risk 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 decided not to appoint an internal auditor. Instead, the trustees appointed the CFO of Tudor Park Education Trust to perform a peer review.

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

- testing of payroll systems;
- testing of purchase systems;
- testing of credit card and petty cash systems;
- review of aged debtors and creditors.

The internal reviewer reports to the board of trustees, through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The board can confirm that the peer reviewer undertook two reviews and provided details of any material control issues as a result of their work. During the current and period previous period there were no material control issues noted and thus no remedial action was required to be taken.

On an annual basis, the external auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The external auditor has delivered their schedule of work as planned and there were no significant control issues arising.

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

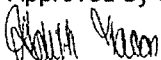
Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk 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 27 January 2021 and signed on their behalf by:



J Tacon
Chair of Trustees



R Cramer
Accounting Officer

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Reach Academy Trust I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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



R Cramer

Accounting Officer

Date: 27 JANUARY 2021

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

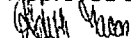
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and signed on its behalf by:



J Tacon
Chair

27 January 2021

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REACH ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REACH ACADEMY TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Other information includes the Reference and Administrative details, the Trustees' Report incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement of Regularity, Propriety and Compliance and the Trustees' Responsibilities 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 Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters 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.

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REACH ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REACH ACADEMY TRUST (CONTINUED)**

Use of our report

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

MHA MacIntyre Hudson

Rakesh Shaunak (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

2 London Wall Place

London

EC2Y 5AU

Date: *28 January 2021*

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 1 March 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Reach Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Reach Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Reach Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Reach Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of REACH Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Reach Academy Trust's funding agreement with the Secretary of State for Education dated 13 March 2019 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

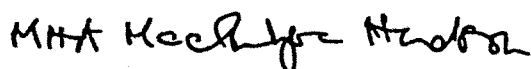
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

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

- Reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.
- Review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy.
- Testing of a sample of payroll payments to staff.
- Testing of a sample of payments to suppliers and other third parties.
- Testing of a sample of grants received and other income streams; and
- Evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.
- Consideration of governance issues.

Conclusion

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



MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors

2 London Wall Place
London
EC2Y 5AU

Date: 28 January 2021

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	-	-	15,800	15,800	62,191
Charitable activities	4	564,199	5,277,080	-	5,841,279	6,176,544
Investments	5	298	-	-	298	276
Total income		564,497	5,277,080	15,800	5,857,377	6,239,011
Expenditure on:						
Raising funds		6,984	-	-	6,984	20,014
Charitable activities	7	612,524	5,306,603	239,366	6,158,493	6,317,751
Total expenditure		619,508	5,306,603	239,366	6,165,477	6,337,765
Net income/ (expenditure)		(55,011)	(29,523)	(223,566)	(308,100)	(98,754)
Transfers between funds	16	-	(47,224)	47,224	-	-
Net movement in funds before other recognised gains/(losses)		(55,011)	(76,747)	(176,342)	(308,100)	(98,754)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(9,000)	-	(9,000)	(193,000)
Net movement in funds		(55,011)	(85,747)	(176,342)	(317,100)	(291,754)
Reconciliation of funds:						
Total funds brought forward		417,202	(1,173,474)	17,888,467	17,132,195	17,423,949
Net movement in funds		(55,011)	(85,747)	(176,342)	(317,100)	(291,754)
Total funds carried forward		362,191	(1,259,221)	17,712,125	16,815,095	17,132,195

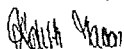
The Statement of Financial Activities includes all gains and losses recognised in the year.

REACH ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07634106

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	17,712,125	17,888,467
		<u>17,712,125</u>	<u>17,888,467</u>
Current assets			
Debtors	14	552,948	237,600
Cash at bank and in hand		501,451	564,457
		<u>1,054,399</u>	<u>802,057</u>
Creditors: amounts falling due within one year	15	(490,429)	(333,329)
Net current assets		<u>563,970</u>	<u>468,728</u>
Total assets less current liabilities		<u>18,276,095</u>	<u>18,357,195</u>
Net assets excluding pension liability		<u>18,276,095</u>	<u>18,357,195</u>
Defined benefit pension scheme liability	22	(1,461,000)	(1,225,000)
Total net assets		<u><u>16,815,095</u></u>	<u><u>17,132,195</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	17,712,125	17,888,467
Restricted income funds	16	201,779	51,526
		<u>17,913,904</u>	<u>17,939,993</u>
Restricted funds excluding pension asset	16	17,913,904	17,939,993
Pension reserve	16	(1,461,000)	(1,225,000)
Total restricted funds	16	<u>16,452,904</u>	<u>16,714,993</u>
Unrestricted income funds	16	<u>362,191</u>	<u>417,202</u>
Total funds		<u><u>16,815,095</u></u>	<u><u>17,132,195</u></u>

The financial statements on pages 28 to 56 were approved by the Trustees, and authorised for issue on 27 January 2021 and are signed on their behalf, by:



J Tacon
Chair of the MAT

The notes on pages 31 to 56 form part of these financial statements.

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(16,080)	214,472
Cash flows from investing activities	19	(46,926)	(43,514)
Cash and cash equivalents at the beginning of the year		564,457	393,499
Cash and cash equivalents at the end of the year	20, 21	501,451	564,457

The notes on pages 31 to 56 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

REACH Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 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 Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

REACH ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 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 Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Interest receivable

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

1.7 Taxation

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

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

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

1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £500 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:

Freehold property	- 60 years straight line
Plant and machinery	- 20 - 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.

1.9 Debtors

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

1.10 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.

1.11 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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 2020

1. Accounting policies (continued)

1.12 Provisions

Provisions are recognised when the Academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

1. Accounting policies (continued)

1.14 Pensions

The Academy operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Academy to the fund in respect of the year.

Retirement benefits to employees of the Academy 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 Academy 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 Academy 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.

The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

1.15 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

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

REACH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy's direct costs - educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General annual grant (GAG)	-	3,889,223	3,889,223
Pupil premium	-	361,447	361,447
Other DfE/ESFA grants	-	123,616	123,616
	-	4,374,286	4,374,286
Other income from educational operations			
Local authority grants	-	584,456	584,456
Other government grants	-	304,393	304,393
	-	888,849	888,849
Other income			
Catering and trips	87,982	13,945	101,927
Nursery and hire of facilities income	56,349	-	56,349
Other self generated income	419,868	-	419,868
Total 2020	564,199	5,277,080	5,841,279

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

4. Funding for the Academy's direct costs - educational operations (continued)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General annual grant (GAG)	-	3,882,670	3,882,670
Start up grants	-	45,000	45,000
Pupil premium	-	362,274	362,274
Other DfE/ESFA grants	-	404,439	404,439
	-	4,694,383	4,694,383
Other government grants			
Local authority grants	-	473,058	473,058
Other government grants	-	138,519	138,519
	-	611,577	611,577
Other income from educational operations			
Catering and trip income	133,706	64,187	197,893
Nursery and hire of facilities income	102,408	-	102,408
Other self generated income	309,793	260,490	570,283
Total 2019	545,907	5,630,637	6,176,544

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest receivable	298	298
	Unrestricted funds 2019 £	Total funds 2019 £
Bank interest receivable	276	276

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

6. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Allocated support costs	-	-	6,984	6,984
Direct costs	4,102,081	-	210,497	4,312,578
Allocated support costs	796,112	278,236	771,567	1,845,915
Total 2020	4,898,193	278,236	989,048	6,165,477
	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on fundraising trading activities:				
Allocated support costs	-	-	20,014	20,014
Direct costs	3,779,436	-	494,444	4,273,880
Allocated support costs	828,456	278,236	937,179	2,043,871
Total 2019	4,607,892	278,236	1,451,637	6,337,765

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Educational operations	612,524	5,545,969	6,158,493

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

7. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Educational operations	355,548	5,962,203	6,317,751

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Direct costs - Educational Operations	4,312,578	1,845,915	6,158,493

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Direct costs - Educational Operations	4,273,880	2,043,871	6,317,751

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

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Pension income	23,000	23,000
Staff costs	796,112	828,456
Depreciation	239,366	235,178
Technology costs	49,553	55,397
Premises costs	276,792	278,236
Other support costs	445,380	610,494
Governance costs	15,712	13,110
	1,845,915	2,043,871

9. Net expenditure

Net expenditure for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	239,366	235,178
Fees paid to auditor for:		
- audit	9,000	8,500
- other services	1,200	1,200

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	3,404,332	3,548,694
Social security costs	346,692	315,446
Pension costs	992,964	698,937
	<u>4,743,988</u>	<u>4,563,077</u>
Agency staff costs	154,205	44,815
	<u>4,898,193</u>	<u>4,607,892</u>

b. Staff numbers

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

	2020 No.	2019 No.
Management	11	12
Teaching staff	50	53
Non-teaching staff	45	46
	<u>106</u>	<u>111</u>

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

16. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	417,202	564,497	(619,508)	-	-	362,191
Restricted general funds						
Restricted Funds - all funds	51,526	5,277,080	(5,079,603)	(47,224)	-	201,779
Pension reserve	(1,225,000)	-	(227,000)	-	(9,000)	(1,461,000)
	<u>(1,173,474)</u>	<u>5,277,080</u>	<u>(5,306,603)</u>	<u>(47,224)</u>	<u>(9,000)</u>	<u>(1,259,221)</u>
Restricted fixed asset funds						
Class II Restricted Funds - all funds	17,888,467	15,800	(239,366)	47,224	-	17,712,125
Total Restricted funds	<u>16,714,993</u>	<u>5,292,880</u>	<u>(5,545,969)</u>	<u>-</u>	<u>(9,000)</u>	<u>16,452,904</u>
Total funds	<u>17,132,195</u>	<u>5,857,377</u>	<u>(6,165,477)</u>	<u>-</u>	<u>(9,000)</u>	<u>16,815,095</u>

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

Restricted Fixed Asset Fund - this fund represents the Trust's investment in fixed assets, net of any depreciation. Any unspent capital grants are held in this fund to be applied for the purpose intended by the grantor.

Restricted general funds will be used for educational purposes in line with the Academy's objects and its funding agreement with the ESFA. Restricted funds in respect of the defined benefit relate to the movement on the Local Government Pension Scheme liability. Unrestricted funds relate to donations and other income given without restriction to its purpose and can be used for the general purpose of the Academy Trust.

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

16. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Reach Academy Trust	563,970	468,728
Restricted fixed asset fund	17,712,125	17,888,467
Pension reserve	(1,461,000)	(1,225,000)
Total	16,815,095	17,132,195

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Reach Academy Trust	4,102,081	796,112	233,497	794,421	5,926,111

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Reach Academy Trust	3,779,436	828,456	494,444	1,000,251	6,102,587

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	228,587	564,177	(375,562)	-	-	417,202
Restricted general funds						
General Annual Grant	14,000	3,882,670	(3,804,058)	(43,790)	-	48,822
Start up grant	-	45,000	(45,000)	-	-	-
Pupil premium	-	362,274	(362,274)	-	-	-
Other grants and funds	-	1,340,693	(1,340,693)	-	-	-
Library fund	-	2,704	-	-	-	2,704
Pension reserve	(857,000)	-	(175,000)	-	(193,000)	(1,225,000)
	<u>(843,000)</u>	<u>5,633,341</u>	<u>(5,727,025)</u>	<u>(43,790)</u>	<u>(193,000)</u>	<u>(1,173,474)</u>
Restricted fixed asset funds						
Fixed assets	18,038,362	41,493	(235,178)	43,790	-	17,888,467
Total Restricted funds	<u>17,195,362</u>	<u>5,674,834</u>	<u>(5,962,203)</u>	<u>-</u>	<u>(193,000)</u>	<u>16,714,993</u>
Total funds	<u>17,423,949</u>	<u>6,239,011</u>	<u>(6,337,765)</u>	<u>-</u>	<u>(193,000)</u>	<u>17,132,195</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	17,712,125	17,712,125
Current assets	362,191	692,208	-	1,054,399
Creditors due within one year	-	(490,429)	-	(490,429)
Provisions for liabilities and charges	-	(1,461,000)	-	(1,461,000)
Total	362,191	(1,259,221)	17,712,125	16,815,095

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	17,888,467	17,888,467
Current assets	417,202	384,855	-	802,057
Creditors due within one year	-	(333,329)	-	(333,329)
Provisions for liabilities and charges	-	(1,225,000)	-	(1,225,000)
Total	417,202	(1,173,474)	17,888,467	17,132,195

REACH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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18. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(308,100)	(98,754)
Adjustments for:		
Depreciation	239,366	235,178
Capital grants from DfE and other capital income	(15,800)	(41,493)
Interest receivable	(298)	(276)
Defined benefit pension scheme cost less contributions payable	204,000	152,000
Defined benefit pension scheme finance cost	23,000	23,000
Increase in debtors	(299,747)	(88,410)
Increase in creditors	141,499	33,227
Net cash (used in)/provided by operating activities	(16,080)	214,472

19. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	298	276
Purchase of tangible fixed assets	(63,024)	(85,283)
Capital funding received from sponsors and others	15,800	41,493
Net cash used in investing activities	(46,926)	(43,514)

20. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	501,451	564,457
Total cash and cash equivalents	501,451	564,457

REACH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	564,457	(63,006)	501,451
	<u>564,457</u>	<u>(63,006)</u>	<u>501,451</u>

22. Pension commitments

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £659,000 (2019 - £459,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2020 was £213,000 (2019 - £157,000), of which employer's contributions totalled £156,000 (2019 - £110,000) and employees' contributions totalled £57,000 (2019 - £47,000). The agreed contribution rates for future years are 15.7 per cent for employers and 5.5 to 7.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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.

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NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.20	3.65
Rate of increase for pensions in payment/inflation	2.20	2.15
Discount rate for scheme liabilities	1.65	1.90

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.3	20.6
Females	23.9	24.0
<i>Retiring in 20 years</i>		
Males	22.8	22.3
Females	25.5	25.8

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	2,145	1,925
Discount rate -0.1%	(2,316)	(2,037)
Mortality assumption - 1 year increase	2,315	2,053
Mortality assumption - 1 year decrease	(2,147)	(1,910)
CPI rate +0.1%	2,233	1,988
CPI rate -0.1%	(2,225)	(1,972)

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22. Pension commitments (continued)

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

	2020 £	2019 £
Equities	463,000	462,000
Gilts	35,000	41,000
Corporate bonds	89,000	68,000
Property	34,000	36,000
Cash and other liquid assets	12,000	14,000
Absolute return portfolio	135,000	134,000
Total market value of assets	768,000	755,000

The actual return on scheme assets was £4,000 (2019 - £46,000).

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

	2020 £	2019 £
Current service cost	(360,000)	(230,000)
Past service cost	-	(32,000)
Interest income	16,000	16,000
Interest cost	(38,000)	(39,000)
Total amount recognised in the Statement of Financial Activities	(382,000)	(285,000)

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

	2020 £	2019 £
At 1 September	1,980,000	1,428,000
Current service cost	360,000	230,000
Interest cost	38,000	39,000
Employee contributions	57,000	47,000
Benefits paid, net of transfers in	3,000	(18,000)
Past service costs	-	32,000
Actuarial (gains)/losses	(209,000)	222,000
At 31 August	2,229,000	1,980,000

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	755,000	571,000
Actuarial (gains)/losses	(218,000)	29,000
Interest income	16,000	17,000
Employer contributions	156,000	110,000
Employee contributions	57,000	47,000
Benefits paid, net of transfers in	3,000	(18,000)
Administrative expenses	(1,000)	(1,000)
At 31 August	768,000	755,000

23. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	5,100	19,566
Later than 1 year and not later than 5 years	-	5,100
	5,100	24,666

24. Members' liability

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

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FOR THE YEAR ENDED 31 AUGUST 2020

25. Related party transactions

The Academy Trust does not have any formal relationships with other schools in the geographical or any other area but will seek to build such relationships as they evolve.

E Vainker is a Trustee of Hounslow Education Partnership which is a related party. In the year 2019-2020 the Trust received services from the Hounslow Education Partnership. The invoices throughout the year amounted to £11,662.

R Cramer is a Trustee of First Give which is a related party however no payments were made this academic year due to Covid-19 school closure.

The Reach Foundation is the corporate member of the Reach Academy Trust. As part of its charitable activities it runs a cradle to career support organisation called the Reach Children's Hub in Feltham which works closely with the school. The Foundation has a service level agreement with the school to provide administrative and support services to the Reach Children's Hub.