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**GREATER NOTTINGHAM EDUCATION TRUST**

(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**GREATER NOTTINGHAM EDUCATION TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Mrs P Brown Mr J M Garibaldi Mr P Karat Mr G R Martin Dr D Vowles
<b>Trustees</b>	Ms A Dawson Mr J M Garibaldi, Chair Mr P Karat Mr W Smith Mr J Thomas (resigned 24 January 2019) Mr J C Weaver, Chief Executive and Accounting Officer Mr J Anderson (appointed 21 May 2019) Mrs P Brown (appointed 26 November 2019) Mrs C Caille (appointed 22 October 2019)
<b>Company registered number</b>	07539214
<b>Company name</b>	Greater Nottingham Education Trust
<b>Principal and registered office</b>	Carlton le Willows Academy Wood Lane Gedling Nottingham NG4 4AA
<b>Company secretary</b>	Mr M Davies
<b>Executive management team</b>	Mr J C Weaver, Chief Executive Officer Mr G Johnson, Director of Education Mr M Davies, Director of Finance and Operations Mr P Hardern (resigned 31/08/2019), Head Teacher (Primary) Mr J Crone (appointed 01/09/2019), Interim Head Teacher (Primary)
<b>Independent auditors</b>	Duncan & Toplis Limited Chartered Accountants and Statutory Auditors 15 Chequergate Louth Lincolnshire LN11 0LJ
<b>Bankers</b>	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA

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

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**Solicitors**

Stone King LLP  
16 St John's Lane  
London  
EC1M 4BS

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**GREATER NOTTINGHAM EDUCATION TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates two academies. Netherfield Primary School for pupils aged 2 to 11 and Carlton le Willows Academy, a secondary school for pupils aged 11 to 18, both schools serving catchment areas on the eastern side of Nottingham. The schools had a combined number on roll of 2,133 at the time of the summer 2019 school census.

**Structure, governance and management**

**a. Constitution**

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

The charitable company's Memorandum of Association is the primary governing document of the Trust.

The Trustees of Greater Nottingham Education Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Greater Nottingham Education Trust.

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

**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**

In accordance with normal commercial practice the trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business. The insurance provides cover up to a maximum value of £5,000,000

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

Trustees are elected under the terms of the Articles of Association. Any trustee elections are held as soon as practicable after the occurrence of a vacancy.

Trustees are appointed by the members.

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

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

**e. Policies adopted for the induction and training of Trustees**

The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new trustees are offered tours of the academies and the chance to meet with staff and students.

All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As trustee turnover is low, induction tends to be done informally and is tailored specifically to the individual.

**f. Organisational structure**

The trust must review the delegation of functions annually. Each trustee will remain accountable for any decision taken, including those relating to functions delegated to a committee or individual.

The management of the trust is the responsibility of the trustees who are elected under the terms of the Articles of Association.

The members delegate responsibility to the board of trustees for making major decisions about the strategic direction of the trust and the appointment of all head teachers. The trustees are legally appointed representatives of the trust under the Companies Act 2006 and the Charities Act 2011.

The board of trustees delegate to local governing bodies the responsibility for decisions surrounding: setting general school specific policy; adopting the trust's financial policy; setting an annual budget plan and monitoring actual financial outcomes against said plan.

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

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

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

The pay policy, which includes a section specifically for senior leaders, is reviewed annually and approved by the trustees.

Head teacher appointments require trustee approval. Appointment of deputy headteachers require local governing body approval. Other senior leaders are appointed by the individual head teachers.

In assessing and reviewing the salaries of posts on the leadership spine, the governing body give due consideration to the following factors:

- In reviewing the head teachers performance, the governing body will normally employ the service of an external education consultant.
- the outcome of the annual appraisal for each individual.
- the academy's individual salary range which can be reviewed throughout the year for recruitment and retention purposes.
- pay differentials within the academy and leadership group.
- relative responsibilities of posts.

The trustees and local governing body will also take into consideration differentials between the salary range of the head teacher, head of school, deputy headteachers(s) and assistant headteacher(s).

To achieve progression on the leadership pay range individuals are required to demonstrate sustained high quality of performance. In addition, he/she must have completed a successful annual appraisal review.

The local pupil and personnel committee will delegate the responsibility for agreeing annual appraisal objectives to the head teacher, who may in turn delegate this responsibility to the leader's line manager. As part of the annual determination of pay, the designated reviewer will make recommendations to the head teacher for each post-holder. The head teacher will then review the recommendations and forward these with their own recommendations to the committee for their determination.

No rewards, other than the agreed salary are offered or made to any senior leaders.

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

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

**h. Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	3
1%-50%	1
51%-99%	-
100%	-

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

	£	
Total cost of facility time	4,689	
Total pay bill	7,880,675	
Percentage of total pay bill spent on facility time	0.06	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	100.00	%
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The full cost of the Trade Union facility time is reimbursed due to county-wide commitments. The overall cost to the Trust is £nil.

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

The trust has no connection to other charities or organisations.

A full list of related parties for trustees can be found on the trusts website. A full list of related parties for local governors can be found on the relevant school website.

During the year, Mellers Primary School provided educational support to Netherfield Primary School. Ms A Dawson, trustee, is head teacher of Mellers Primary School. The services were provided at cost and in accordance with the guidance set-out in the academy's financial handbook. A statement of assurance was provided for said services and accepted by the board.

**Objectives and activities**

**a. Objects and aims**

The academy trust's objects are specifically restricted to the following;

- a. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to



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

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**Objectives and activities (continued)**

the generality of the foregoing, by establishing, maintaining, carry on, managing and developing schools offering a broad and balanced curriculum.

b. to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision for facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

**b. Objectives, strategies and activities**

Carlton le Willows Academy

The following approved improvement priorities have been acted upon.

The overarching priorities for the academy are for students to reach their academic potential and develop the character skills and leadership qualities they need for success and happiness in life.

**A. Outcomes**

AIM: All students achieve good or better progress, resulting in a significantly high progress 8 score / VA.

Key Stages 3 and 4 Objectives

1. Secure progress levels that are securely good or beyond in all subjects.
2. Implement a robust target setting process that ensures expectations remain high for all students.
3. To close the gender gap in all subjects.
4. \*Ensure that disadvantaged students make consistently good progress.
5. \*Ensure that teaching supports students who have SEND to make more than expected progress.

Key Stage 5 Objectives

6. Secure progress levels that are securely good or beyond in all subjects.
7. Implement a robust target setting process that ensures expectations remain high for all students.
8. To close the gender gap in all subjects.
9. Ensure that disadvantaged students make consistently good progress.
10. Ensure performance data is used effectively (i) to identify students at risk of underperforming and (ii) to inform intervention.

**B. Personal Development, Behaviour and Welfare**

AIM: Attendance levels to be above average and exclusion levels to be below average for all students and groups of students

Objectives

1. Continue to reduce the absence of disadvantaged and SEND
2. Continue to reduce rates of exclusion for all groups of pupils
3. Develop the use of restorative practice to improve behaviour for learning

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

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**Objectives and activities (continued)**

**C. Teaching and Learning**

AIM: All lessons to be good or outstanding

Objectives

1. Ensure teaching, supported by CPD, instills a sharp focus on raising the ceiling on progress in lesson planning, delivery and evaluation.
2. Reduce variation in the quality of teaching and learning across the curriculum

**D. Leadership and Management**

AIM: To achieve RAP aims and make Carlton le Willows Academy a great place to work as well as a great place to learn.

Objectives

1. Carry out a full curriculum audit and review at all key stages to ensure that the national expectations and student needs are met.
2. Develop a strategy for emotional health and well-being across the academy
3. Develop a shared leadership ethos.
4. Maintain high levels of customer service and satisfaction.
5. Continue to engage with partners to identify and realise opportunities for enhancing provision and income generation.

*NB: \* Ofsted priority*

Netherfield Primary School

Following conversion to academy status the school implemented a Rapid Development Plan, for the period April 2018 – July 2019, with the following priorities.

**Priority 1:** To ensure that Year 6 pupils in 2018/19 are making rapid progress to improve standards.

**Priority 2:** To improve the quality of teaching and leadership in Key Stage One.

**Priority 3:** To improve outcomes in the Early Years Foundation Stage.

**Priority 4:** To develop a coherent, evidence-based teaching and learning policy that is supported by a structured CPD programme.

**Priority 5:** To improve teachers' understanding of mastery teaching and learning so that all pupils' needs are met, including those who can reach greater depth.

**Priority 6:** To ensure that there is consistent, high quality support across the school from Teaching Assistants that has a positive impact on pupils' learning.

**Priority 7:** To integrate the school into the academy trust so that policy and practice are aligned to the values and vision of the trust.

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

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**Objectives and activities (continued)**

**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)'.

In addition to the education activities the trust has developed an extensive community-use programme for 'out of hours' leisure activities for the benefit of inhabitants in the local area.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

Carlton le Willows Academy

Public examination results 2019 (some results subject to national validation)

<b>Year 11</b>	<b>Target</b>	<b>Achieved</b>
Progress 8	0.35	0.49
Attainment 8	5.4	5.4
% 5+ English & Maths	62%	64%
English Element Attainment	11.0	10.9
Maths Element Attainment	11.2	11.6
Ebacc Element Attainment	14.5	16.1
Open Element Attainment	15.0	15.2
English Element Progress	0.30	0.25
Maths Element Progress	0.70	1.03
Ebacc Element Progress	-	0.37
Open Element Progress	-	0.06
Ebacc Average points	4.8	4.9

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

Year 13	Target	Achieved
<b>Academic Cohort and Results</b>		
Average point score as a grade	C+	C+
Average score per entry	34.5	33.4
Vale Added	0.15	TBC
<b>Vocational Cohort and Results (27 students)</b>		
Average point score as a grade		Merit
Average score per entry		26.5
Value Added		TBC

Pupil numbers

Total pupil numbers against a PAN of 226 are as follows:

Year 7 – 302  
Year 8 – 291  
Year 9 – 318  
Year 10 – 243  
Year 11 – 244  
Year 12 – 121  
Year 13 - 131  
**Total – 1,650**

300 pupils were admitted in September 2019.

Attendance

- Overall pupil attendance this year was 96.7%, which is significantly higher than the national average.

Other achievements

- The academy successfully retained the Customer Service Excellence award again and is still the only school in the East Midlands to hold this prestigious accolade.
- The academy were recognised by the Schools, Students and Teachers Network (SSAT) as being in the top 20% performing non-selective schools nationally.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

Netherfield Primary School

Year 6 National Curriculum Key Stage 2 Test results 2019

Test(s)		Target	Achieved
Reading	Progress		-4.4
	% Expected Achievement	75%	52%
Writing	Progress		-0.9
	% Expected Achievement	80%	72%
Maths	Progress		-2.1
	% Expected Achievement	77%	68%
Reading, Writing & Maths	% Expected Achievement	66%	47%

Pupil numbers

Early Years Provision - 79

Reception - 57

Year 1 – 59

Year 2 – 56

Year 3 – 55

Year 4 – 58

Year 5 – 59

Year 6 – 60

**Total – 483**

Attendance

- Overall pupil attendance this year was 95.6%, which is in line with the national average.

**Key Financial Performance Indicators**

- Staff costs are 90% of GAG income and 78% of total revenue income.
- Agency staff costs are 2% of total staff costs.
- 2% of GAG income spent on repairs and maintenance.
- The trust once again achieved an operating surplus this year.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Going concern**

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Trust 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.

**Financial review**

**a. Reserves policy**

The majority of the academy's annual income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. This was supplemented by funding from Nottinghamshire County Council for early years provision and to support pupils with special educational needs and funds generated by the trust through sales of textbooks and music tuition fees as an example. The grants received during the year ended 31 August 2019 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

The funding has been utilised by the trust to achieve the targets set out in the trust's improvement plans. Resources expended this year have assisted the trusts secondary school in achieving exceptional examination results.

During the period ended 31 August 2019, total unrestricted and restricted income (excluding capital funding within the restricted fixed asset fund) were £10,495,893. This compares with expenditure (excluding depreciation within the restricted fixed asset fund and pension reserve expenditure) of £10,004,995 to give an excess of income over expenditure on revenue funding totalling (surplus) £490,898. After transfers to the restricted fixed asset fund of £172,849, this equates to the movement in balances of the restricted general funds (excluding pension reserve) plus unrestricted funds between the current and previous period end of (surplus) £318,049.

As at 31 August 2019, restricted general funds (excluding pension reserves) were £474,404 and unrestricted funds were £806,358. Giving total free reserves of £1,280,762. The trust is in a strong position financially and has projected a balanced budget for the next five years.

At the end of the prior financial period (period ended 31 August 2018) the academy had free reserves of £962,713.

The trustees review the reserve levels of the trust termly. This review encompasses the nature of income and expenditure streams. The trustees have determined that the appropriate level of revenue reserves should be equivalent to one months' expenditure, which is approximately £890,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The trust's current level of free reserves is in excess of their target.

The amount of funds that can only be realised by disposing of fixed assets is the net book value of fixed assets and was £35,571,683 at the year end. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The Local Government Pension Scheme deficit increased during the year, principally due to changes in

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

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**Strategic report (continued)**

**Financial review (continued)**

actuarial assumptions, and now stands at a deficit of £4,263,000 from £3,064,000 at the previous balance sheet date. The deficit will be addressed from time to time by increases in pension contribution rates by the pension scheme actuaries. This deficit has arisen, mainly due to increased life expectancies and reduced investment returns.

**b. Investment policy**

The trust holds no investments other than its capital balance. The trustees have requested that amounts above the level of working capital be held in a high interest account. Currently £303,000 is placed in a high interest account with Lloyds.

**c. Principal risks and uncertainties**

The trustees have assessed the major risks to which the trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the trust and its finances. The trustees have implemented a number of systems to assess risks that the trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance.

They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that adequate insurance cover is in place. The trust has an effective system of internal financial controls.

The trust has a comprehensive risk register in place which has been adopted by the trustees and is updated as necessary.

Outlined below is a description of the principal risk headings, together with examples of actions taken by the trust to mitigate those risks:

1. **Strategic and Reputational:** All schools are reliant on maintaining pupil numbers together with attracting and retaining high quality staff.
  - Educational standards remain high, ensuring recruitment of pupils and high quality staff is manageable, and public perception of the trust remains high;
  - Aspirational development plans are in place to ensure standards remain high and opportunities and threats are both explored and managed where necessary;
  - Robust governance arrangements are in place including external reviews.
  
2. **Operational Risks:** The trust operates across multiple sites and phases of education. Therefore, it is important that operational undertakings are properly managed.
  - Comprehensive management information systems are in place;
  - Governance training is provided regularly and governance skills audits are undertaken annually;
  - Estates and IT infrastructures are well maintained and are regularly reviewed for legal compliance;
  - Public relations are proactively managed with all positive news shared with wider public when appropriate.
  
3. **Compliance Risks:** The trust operates in a highly regulated society.
  - The trust employs the services of a number of expert professional advisors in areas such as legal, HR and health and safety;
  - The trust is subject to a number of external audits throughout the year including finance, health and

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

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**Strategic report (continued)**

**Financial review (continued)**

safety, governance and safeguarding;

- The trust has well established policies and processes, and employs suitably qualified and experienced staff to ensure compliance obligations are properly managed.

4. Financial Risks: The trust has considerable reliance on continued government funding through the Education and Skills Funding Agency and the Local Authority. Academies financial performance is scrutinised more than ever following negative media stories.

- Funding is derived through a number of direct and indirect contractual arrangements;
- Well established finance policies and processes are in place. The trusts finance operations are centralised and monitored by both local governors and the trust board to ensure compliance with the academy's financial handbook and value for money principals.
- Academy trusts are subject to extensive audit protocols.

**Fundraising**

The trust did not undertake any fundraising activities during the year, nor did they work with any commercial participators/ professional fundraisers.



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

**Plans for future periods**

Carlton le Willows Academy

The following approved improvement priorities will be acted upon during the coming year (2019-20).

<b>Goal 1: Positive Progress in Sixth Form</b>	
Sub-goals	<ul style="list-style-type: none"> <li>• The principles of 'Making every Lesson Stick' are consistently applied in every classroom</li> <li>• Prioritise KS5 quality assurance; challenge underperformance identified in learning walks and/or work scrutiny</li> <li>• Re-establish a strong ethos of ambition and high expectations at KS5</li> <li>• Align the KS5 Raising Achievement Strategy with that established at KS4</li> <li>• Raise the profile and accountability for KS5 outcomes via robust line management / KS5 appraisal objective for all sixth form teachers</li> </ul>
<b>Goal 2: P8 between +0.50 to +0.60</b>	
Sub-goals	<ul style="list-style-type: none"> <li>• Increased targeted intervention for SEN students in core subjects</li> <li>• Implement a staff mentoring system for high anxiety students</li> <li>• Middle ability boys become a key focus group for relevant teaching staff via appraisal objectives</li> <li>• Deploy increased English staffing to more closely align English intervention provision with that of Maths and Science. Positive progress in both Lit and Lang.</li> <li>• Use close monitoring of progress toward targets in Geography and MFL to inform intervention. Achieved progress for both areas of &gt; +0.30</li> <li>• Increased communication with Year 11 parents to secure a more triangulated approach within the KS4 Raising Achievement Strategy</li> <li>• Consistent positive contribution to P8 from all non-GCSE courses</li> </ul>
<b>Goal 3: To narrow the gap in progress by 20% between disadvantaged and non-disadvantaged students</b>	
Sub-goals	<ul style="list-style-type: none"> <li>• Disadvantaged students (in particular middle ability boys) remain a focus for relevant teaching staff</li> <li>• Fixed, aspirational base targets for disadvantaged students with overall base target of &gt;+0.15</li> <li>• Disadvantaged students are prioritised for form time intervention for core subjects</li> <li>• Prioritised tracking of progress for disadvantaged students (Years 7 – 10) to inform strategy and improve provision for raising achievement</li> </ul>

Netherfield Primary School

The following goals will be acted upon during the coming year (2019-20).

G1 - A focus on reading, leading to attainment between FFT50 to FFT20

G2 - A focus on maths, leading to attainment between FFT50 to FFT20

G3 - A focus on science, leading to pupils achieving well for their age

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

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**Plans for future periods (continued)**

**Key priorities to achieve goals, raise standards and improve pupils' progress by July 2020**

Quality of education	<ul style="list-style-type: none"><li>• Raise outcomes for the whole school across all areas and all pupil groupings</li><li>• Review the curriculum, making it fit for purpose in relation the flow from intention to implementation, including the rationale for content choices and curriculum sequencing.</li></ul>
Behaviour and attitudes	<ul style="list-style-type: none"><li>• Increase attendance and reduce the percentage of persistent absenteeism, particularly for disadvantaged pupils</li><li>• Continue to reduce exclusion rates by both days and number of permanent.</li></ul>
Personal development	<ul style="list-style-type: none"><li>• Encouraging each pupil to become personally, emotionally and socially effective. Enable them to lead healthy, safe and fulfilled lives and to become confident, independent and responsible citizens, making informed and responsible choices and decisions throughout their lives.</li><li>• Increase pupil resilience in relation to lengthier work and end of term and end of year testing procedures.</li></ul>
Effectiveness of early years provision:	<ul style="list-style-type: none"><li>• Reduce the gap between school outcomes and the National Average for GLD.</li><li>• Review and improve the learning activities available for outdoor education in EYFS</li></ul>
Leadership and management	<ul style="list-style-type: none"><li>• Develop NPS into a reading school, reading will be a key vein running across all years and through all stakeholders</li><li>• Ensure the school is fully staffed, including the recruitment of a headteacher</li><li>• Hold individual leads to account for KP's and link the appraisal process for all staff directly to these.</li><li>• Continue to reduce staff absence rates</li></ul>

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

The trust does not hold such funds.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are 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 17 December 2019 and signed on its behalf by:

.....  
**Mr J Garibaldi**  
Chair of Trust

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**GREATER NOTTINGHAM EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

The board of Trustees has delegated the day-to-day responsibility to the head teacher, 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 Greater Nottingham Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr J Anderson	2	2
Ms A Dawson	3	6
Mr J M Garibaldi, Chair	5	6
Mr P Karat	6	6
Mr W Smith	3	6
Mr J Thomas	0	3
Mr J C Weaver, Chief Executive and Accounting Officer	6	6
Mrs P Brown	0	0
Mrs C Caille	0	0

During the year an additional trustee was appointed to the board. The new trustee has significant financial experience and has strengthened the board in this area. Two further trustees were appointed during the autumn term 2019. One a former primary head teacher and the other a former college lecturer with significant experience of the further education sector, further strengthening the boards education expertise.

The board has discharged its duties effectively during the year, including delivery of all statutory returns in a timely manner. Trust leaders have developed a framework for reporting to the board. During the year, the board has regularly reviewed educational and financial performance and challenged trust leaders where necessary, including on the quantity and quality of information provided. The board is content that the information provided has enabled trustees to properly scrutinise the performance of the trust and hold trust leaders to account.

During the year an external education consultant conducted a review of governance across the trust. Governance was found to be generally strong and any recommendations have been actioned or considered for further action in the future. Trustees have completed the DfE's School Resource Management Self-assessment (SRMSA) checklist and were found to be compliant in all areas. The corresponding finance dashboards were also completed for each school with the benchmarking outcomes considered in detail. The trust intends to review the SRMSA benchmarking data on a regular basis and are likely to undertake a further external review of governance in the coming year. During the year trust schools subscribed to the National Governance Association together with the organisations training and development tool. A programme of governor training, guided by in-year skills audits, will take place during the coming year, with the intention that trustees will undertake training relevant to their role.

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Finance and Audit Committee is a sub-committee of the main board of Trustees. Its purpose is to be responsible for;

- Constitutional decisions
- Policy development, planning and public accountability
- Financial matters
- Monitoring the integrity of the trust's financial systems, records and accounts
- Review key financial decisions and matters of judgement in the annual accounts
- Review and make recommendations on the systems of internal control used by the trust
- Review the trust's risk management systems

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Anderson	2	2
Ms A Dawson	3	6
Mr J Garibaldi	5	6
Mr P Karat	6	6
Mr W Smith	3	6
Mr J Thomas	0	3
Mr JC Weaver	6	6

**Review of value for money**

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

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

The accounting officer for the Trust has delivered improved value for money during the year by developing a Strategic Operations Group made up of senior leaders who act as a steering group focussed on integrated curriculum financial planning. During the year:

- Staffing costs were scrutinised through a route and branch review. Any identified inefficiencies have been dealt with which has created a very cost effective staffing structure.
- The trusts financial operations were centralised, enabling staffing efficiencies within the admin teams.
- The trust employed the services of a specialist surveyor to assist with Condition Improvement Fund bids for major capital works. The trust secured in excess of £280,000 for roof replacement projects.

**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

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**GREATER NOTTINGHAM EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**The purpose of the system of internal control (continued)**

achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Greater Nottingham Education Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

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

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and Audit 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 considered the need for a specific internal audit function and decided to appoint Jane Fowkes, an independent financial consultant, as internal auditor during the year.

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

- testing of payroll systems
- testing of purchase and income systems
- testing of control account/ bank reconciliations

On a termly basis, the internal auditor reports to the board of Trustees through the finance and general purposes committee of each school on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The financial consultant has carried out the schedule of works as planned and no issues have arisen from that work.

The board of trustees has considered the new requirements of the academy's financial handbook and have appointed Duncan and Toplis to undertake internal assurance work for the coming year, on a termly basis. The internal assurance role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

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**GREATER NOTTINGHAM EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of Trustees on 17 December 2019 and signed on their behalf by:

.....  
**Mr J M Garibaldi**  
Chair of Trustees

.....  
**Mr J C Weaver**  
Accounting Officer

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Greater Nottingham Education Trust I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

**Mr J C Weaver**  
Accounting Officer  
Date: 17 December 2019

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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

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

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

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

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

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

Approved by order of the members of the board of Trustees on 17 December 2019 and signed on its behalf by:

.....  
**Mr J M Garibaldi**  
(Chair of Trustees)



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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GREATER NOTTINGHAM EDUCATION TRUST**

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**Opinion**

We have audited the financial statements of Greater Nottingham Education Trust (the 'trust') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GREATER NOTTINGHAM EDUCATION TRUST (CONTINUED)**

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**Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GREATER NOTTINGHAM EDUCATION TRUST (CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GREATER NOTTINGHAM EDUCATION TRUST (CONTINUED)**

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**Nicholas Cudmore FCA (Senior statutory auditor)**

for and on behalf of

**Duncan & Toplis Limited**

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

17 December 2019

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREATER NOTTINGHAM EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 13 August 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Greater Nottingham Education Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Greater Nottingham Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Greater Nottingham Education 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 Greater Nottingham Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Greater Nottingham Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Greater Nottingham Education Trust's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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**Nicholas Cudmore FCA**

**Duncan & Toplis Limited**

Date: 17 December 2019

**GREATER NOTTINGHAM EDUCATION TRUST**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>						
Donations and capital grants	3	-	169,085	8,752,255	8,921,340	(528,373)
Charitable activities:						
Funding for the academy trust's educational operations		-	10,198,676	-	10,198,676	8,707,467
		-	(2,269)	-	(2,269)	-
Other trading activities		127,077	-	-	127,077	97,663
Investments	6	3,285	39	-	3,324	4,205
<b>Total income</b>		<b>130,362</b>	<b>10,365,531</b>	<b>8,752,255</b>	<b>19,248,148</b>	<b>8,280,962</b>
<b>Expenditure on:</b>						
Raising funds		-	5,719	-	5,719	3,155
Charitable activities:						
Academy trust educational operations		58,632	10,386,644	912,051	11,357,327	9,765,425
<b>Total expenditure</b>		<b>58,632</b>	<b>10,392,363</b>	<b>912,051</b>	<b>11,363,046</b>	<b>9,768,580</b>
<b>Net income/(expenditure )</b>		<b>71,730</b>	<b>(26,832)</b>	<b>7,840,204</b>	<b>7,885,102</b>	<b>(1,487,618)</b>
Transfers between funds	17	-	(172,849)	172,849	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>71,730</b>	<b>(199,681)</b>	<b>8,013,053</b>	<b>7,885,102</b>	<b>(1,487,618)</b>
<b>Other recognised gains/(losses):</b>						
Gains on revaluation of fixed assets		-	-	14,946,814	14,946,814	-
Actuarial losses on defined benefit pension schemes	25	-	(753,000)	-	(753,000)	885,000
<b>Net movement in funds</b>		<b>71,730</b>	<b>(952,681)</b>	<b>22,959,867</b>	<b>22,078,916</b>	<b>(602,618)</b>

**GREATER NOTTINGHAM EDUCATION TRUST**  
(A company limited by guarantee)

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

Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	734,628	(2,835,915)	12,611,816	10,510,529	11,113,147
Net movement in funds	71,730	(952,681)	22,959,867	22,078,916	(602,618)
<b>Total funds carried forward</b>	<u><u>806,358</u></u>	<u><u>(3,788,596)</u></u>	<u><u>35,571,683</u></u>	<u><u>32,589,445</u></u>	<u><u>10,510,529</u></u>

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

The notes on pages 34 to 65 form part of these financial statements.



**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07539214**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	14	35,571,683	12,529,291
<b>Current assets</b>			
Debtors	15	747,920	917,183
Cash at bank and in hand		1,364,672	995,894
<b>Liabilities</b>		<b>2,112,592</b>	<b>1,913,077</b>
Creditors: amounts falling due within one year	16	(831,830)	(867,839)
<b>Net current assets</b>		<b>1,280,762</b>	<b>1,045,238</b>
<b>Total assets less current liabilities</b>		<b>36,852,445</b>	<b>13,574,529</b>
<b>Net assets excluding pension liability</b>		<b>36,852,445</b>	<b>13,574,529</b>
Defined benefit pension scheme liability	25	(4,263,000)	(3,064,000)
<b>Total net assets</b>		<b>32,589,445</b>	<b>10,510,529</b>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	20,624,869	12,611,816
Restricted income funds	17	474,404	228,085
Revaluation reserve		14,946,814	-
Restricted funds excluding pension liability	17	36,046,087	12,839,901
Pension reserve	17	(4,263,000)	(3,064,000)
<b>Total restricted funds</b>	17	<b>31,783,087</b>	<b>9,775,901</b>
<b>Unrestricted income funds</b>	17	<b>806,358</b>	<b>734,628</b>
<b>Total funds</b>		<b>32,589,445</b>	<b>10,510,529</b>

The financial statements on pages 29 to 65 were approved by the Trustees, and authorised for issue on 17 December 2019 and are signed on their behalf, by:

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2019**

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.....  
**Mr J Garibaldi**

The notes on pages 34 to 65 form part of these financial statements.

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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	<b>Note</b>	<b>2019</b> £	<b>2018</b> £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	19	<b>758,955</b>	<i>(115,222)</i>
<b>Cash flows from investing activities</b>	21	<b>(393,501)</b>	<i>(291,597)</i>
<b>Cash flows from financing activities</b>	20	<b>3,324</b>	<i>4,205</i>
<b>Change in cash and cash equivalents in the year</b>		<b>368,778</b>	<i>(402,614)</i>
Cash and cash equivalents at the beginning of the year		<b>995,894</b>	<i>1,398,508</i>
<b>Cash and cash equivalents at the end of the year</b>	22	<b>1,364,672</b>	<i>995,894</i>

The notes on pages 34 to 65 form part of these financial statements

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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**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 Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

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**GREATER NOTTINGHAM EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

**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.

• **Expenditure on raising funds**

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

• **Charitable activities**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 Taxation**

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

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

**1.7 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. The Trust has adopted a policy of revaluation for the academy premises held within tangible fixed assets.

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:

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.7 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Freehold property	- Straight line over 50 years or 10 years as appropriate to the asset
Long-term leasehold property	- Straight line over 50 years or 10 years as appropriate to the asset
Furniture and equipment	- Straight line over 4 and 8 years
Plant and machinery	- Straight line over 4 years
Computer equipment	- Straight line over 3 years
Motor vehicles	- Straight line over 4 years

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.

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.10 Liabilities**

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

**1.11 Provisions**

Provisions are recognised when the Trust 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

**1.13 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**1.14 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.15 Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid during the year and any balances held at the year end are disclosed in the notes.

**1.16 Fund accounting**

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

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

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

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

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

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>
Donations	-	-	-	-
Capital Grants	-	-	422,880	<b>422,880</b>
Transfer from Academies joining the Trust	-	-	8,329,375	<b>8,329,375</b>
Other voluntary income - School Fund	-	169,085	-	<b>169,085</b>
	<u>-</u>	<u>169,085</u>	<u>8,752,255</u>	<u><b>8,921,340</b></u>
	<u>-</u>	<u>169,085</u>	<u>8,752,255</u>	<u><b>8,921,340</b></u>

  

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Donations	11,522	-	-	11,522
Capital Grants	-	-	603,076	603,076
Grants	184,225	(1,519,000)	-	(1,334,775)
Other voluntary income - School Fund	-	191,804	-	191,804
	<u>195,747</u>	<u>(1,327,196)</u>	<u>603,076</u>	<u>(528,373)</u>
	<u>195,747</u>	<u>(1,327,196)</u>	<u>603,076</u>	<u>(528,373)</u>

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**4. Funding for the Trust's educational operations**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	8,966,406	<b>8,966,406</b>	7,932,123
Pupil Premium	435,085	<b>435,085</b>	321,771
Other DfE/ESFA revenue grant	244,617	<b>244,617</b>	129,036
	<u>9,646,108</u>	<u><b>9,646,108</b></u>	<u>8,382,930</u>
<b>Other government grants</b>			
Early Years Funding	203,054	<b>203,054</b>	75,212
Other Local Authority revenue grants	330,433	<b>330,433</b>	228,696
Other government revenue grants	9,405	<b>9,405</b>	9,675
	<u>542,892</u>	<u><b>542,892</b></u>	<u>313,583</u>
<b>Other income</b>			
Other income - apprentice levy	7,407	<b>7,407</b>	10,954
	<u>10,196,407</u>	<u><b>10,196,407</b></u>	<u>8,707,467</u>

**5. Income from other trading activities**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Catering income	32,697	<b>32,697</b>
Lettings income	37,073	<b>37,073</b>
Other income	57,307	<b>57,307</b>
	<u>127,077</u>	<u><b>127,077</b></u>

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	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Catering income	24,238	-	24,238
Lettings income	30,698	-	30,698
Other income	36,709	6,018	42,727
	91,645	6,018	97,663

**6. Investment income**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Bank account interest	3,285	39	<b>3,324</b>
	3,285	39	<b>3,324</b>

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Bank account interest	4,153	52	4,205
	4,153	52	4,205

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**7. Expenditure**

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>
Expenditure on raising voluntary income:				
Direct costs	-	-	5,719	<b>5,719</b>
Funding for the academy trust's educational operations:				
Direct costs	7,057,984	912,051	813,942	<b>8,783,977</b>
Allocated support costs	1,363,019	739,734	470,597	<b>2,573,350</b>
	<u>8,421,003</u>	<u>1,651,785</u>	<u>1,290,258</u>	<u><b>11,363,046</b></u>

	<i>Staff Costs 2018 £</i>	<i>Premises 2018 £</i>	<i>Other 2018 £</i>	<i>Total 2018 £</i>
Expenditure on raising voluntary income:				
Direct costs	-	-	3,155	3,155
Funding for the academy trust's educational operations:				
Direct costs	5,932,841	630,069	785,721	7,348,631
Allocated support costs	1,332,091	656,281	428,422	2,416,794
	<u>7,264,932</u>	<u>1,286,350</u>	<u>1,217,298</u>	<u>9,768,580</u>

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Funding for the academy trust's educational operations	<u>8,783,977</u>	<u>2,573,350</u>	<u><b>11,357,327</b></u>

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**8. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2018 £</i>	<i>Support costs 2018 £</i>	<i>Total funds 2018 £</i>
Funding for the academy trust's educational operations	7,348,631	2,416,794	9,765,425

**Analysis of direct costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Staff costs	7,057,984	<b>7,057,984</b>	5,932,841
Depreciation	912,051	<b>912,051</b>	630,069
Educational supplies	452,460	<b>452,460</b>	451,928
Technology costs	121,223	<b>121,223</b>	93,902
Examination fees	134,254	<b>134,254</b>	124,673
Staff development	26,354	<b>26,354</b>	10,954
Other costs	79,651	<b>79,651</b>	104,264
	<u>8,783,977</u>	<u><b>8,783,977</b></u>	<u>7,348,631</u>

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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Pension income	77,000	<b>77,000</b>	70,000
Staff costs	1,363,019	<b>1,363,019</b>	1,332,091
Technology costs	15,655	<b>15,655</b>	18,425
Recruitment and support	11,557	<b>11,557</b>	3,207
Maintenance of premises and equipment	217,945	<b>217,945</b>	203,823
Cleaning	235,076	<b>235,076</b>	206,661
Rent and rates	76,049	<b>76,049</b>	59,890
Energy costs	149,243	<b>149,243</b>	138,473
Insurance	61,421	<b>61,421</b>	47,434
Transport	17,393	<b>17,393</b>	14,095
Telephone, postage and stationery	22,591	<b>22,591</b>	44,526
Catering	133,512	<b>133,512</b>	76,843
Other costs	88,128	<b>88,128</b>	133,496
Bank interest and charges	299	<b>299</b>	233
Operating leases - other	16,163	<b>16,163</b>	14,489
Auditors' remuneration	9,500	<b>9,500</b>	14,863
Legal and professional	78,799	<b>78,799</b>	38,245
<b>Total 2019</b>	<u>2,573,350</u>	<u><b>2,573,350</b></u>	<u>2,416,794</u>

During the year ended 31 August 2019, the academy incurred the following Governance costs:

£88,299 (2018 - £53,108) included within the table above in respect of Funding for the academy trust's education operations.

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

Net income/(expenditure) for the year includes:

	<b>2019</b>	<i>2018</i>
	£	£
Operating lease rentals	<b>16,163</b>	14,489
Depreciation of tangible fixed assets	<b>912,053</b>	630,069
Fees paid to auditors for:		
- audit	<b>6,900</b>	9,150
- other services	<b>2,600</b>	5,713
	<u><b>2,600</b></u>	<u>5,713</u>

**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2019</b>	<i>2018</i>
	£	£
Wages and salaries	<b>6,269,539</b>	5,441,421
Social security costs	<b>587,067</b>	511,258
Pension costs	<b>1,393,071</b>	1,162,583
	<u><b>8,249,677</b></u>	<u>7,115,262</u>
Agency staff costs	<b>171,326</b>	149,670
	<u><b>8,421,003</b></u>	<u>7,264,932</u>

**b. Staff numbers**

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

	<b>2019</b>	<i>2018</i>
Management	<b>4</b>	4
Teachers	<b>125</b>	112
Administration and support	<b>121</b>	108
	<u><b>250</b></u>	<u>224</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. Staff costs (continued)**

**c. Higher paid staff**

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

	<b>2019</b>	<i>2018</i>
In the band £60,001 - £70,000	<b>2</b>	3
In the band £70,001 - £80,000	<b>2</b>	-
In the band £120,001 - £130,000	<b>1</b>	1
	<u><b>1</b></u>	<u>1</u>

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1, The total amount of employee benefits (including employer pension contribution) received by key management personnel for their services to the academy trust was £386,078 paid to four personnel (2018 - £317,961 paid to four personnel).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Central services**

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

- Quality assurance (education)
- School improvement services
- Business and financial services
- Human resources
- Governance and governors services
- Customer service (PR/marketing and website)
- ICT network and infrastructure services
- MIS and data management services

The Trust charges for these services on the following basis:

Central services are charged at the actual cost of providing the services. Central services costs are borne by Carlton le Willows Academy in the first instance and recharged accordingly.

The actual amounts charged during the year were as follows:

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
Netherfield Primary School	<b>80,000</b>	<i>41,448</i>

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

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**12. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		<b>2019</b>	<i>2018</i>
		<b>£</b>	<b>£</b>
Mr J C Weaver	Remuneration	<b>125,000 -</b>	<i>120,000 -</i>
		<b>130,000</b>	<i>125,000</i>
	Pension contributions paid	<b>20,000 -</b>	<i>20,000 -</i>
		<b>25,000</b>	<i>25,000</i>

During the year ended 31 August 2019, no Trustee expenses have been incurred (*2018 - £250 - reimbursed to 1 trustee*).

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £493 (*2018 - £470*). The cost of this insurance is included in the total insurance cost.

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**14. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>							
At 1 September 2018	14,349,103	13,693	601,670	2,900	758,123	26,230	15,751,719
Additions	529,531	8,340,089	40,779	-	87,537	9,695	9,007,631
Revaluations	14,946,814	-	-	-	-	-	14,946,814
At 31 August 2019	<u>29,825,448</u>	<u>8,353,782</u>	<u>642,449</u>	<u>2,900</u>	<u>845,660</u>	<u>35,925</u>	<u>39,706,164</u>
<b>Depreciation</b>							
At 1 September 2018	2,118,523	1,369	405,844	1,088	669,374	26,230	3,222,428
Charge for the year	606,925	144,413	72,317	363	85,611	2,424	912,053
At 31 August 2019	<u>2,725,448</u>	<u>145,782</u>	<u>478,161</u>	<u>1,451</u>	<u>754,985</u>	<u>28,654</u>	<u>4,134,481</u>
<b>Net book value</b>							
At 31 August 2019	<u><u>27,100,000</u></u>	<u><u>8,208,000</u></u>	<u><u>164,288</u></u>	<u><u>1,449</u></u>	<u><u>90,675</u></u>	<u><u>7,271</u></u>	<u><u>35,571,683</u></u>
At 31 August 2018	<u><u>12,230,580</u></u>	<u><u>12,324</u></u>	<u><u>195,826</u></u>	<u><u>1,812</u></u>	<u><u>88,749</u></u>	<u><u>-</u></u>	<u><u>12,529,291</u></u>

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**14. Tangible fixed assets (continued)**

As at 31 August 2019 both schools had their land and buildings revalued.

The Trust has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2019 £	2018 £
Freehold property	12,308,942	12,242,904
Long-term leasehold property	8,062,218	-
	<u>20,371,160</u>	<u>12,242,904</u>

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2019 £	2018 £
Freehold land	5,920,000	1,486,455
Long-term leasehold land	1,085,000	-
	<u>7,005,000</u>	<u>1,486,455</u>

All of the tangible fixed assets are used for educational purposes.

Included in freehold and leasehold property is land of £7,005,000 (2018 - £1,486,455) which is not depreciated. This has been revalued in the year.

In the year Land and Buildings have been revalued for Carlton le Willows. The revaluation of Land and Buildings was undertaken by FHP Property Consultants as at 31 August 2019 using the Depreciated Replacement Cost (DRC) basis. The revaluation has increased the value of the land by £4,433,545 and buildings by £7,787,822.

Additions to freehold property in year comprise work to finish roofing and window works, 3G pitch and changing pavilion, general refurbishment to site and new roofing work.

Netherfield Primary School joined the academy trust on 1 March 2018, however no reliable value was available for the Land and Buildings at that time. A valuation was undertaken by FHP Property Consultants on 31 August 2019 and these were valued at £1,085,000 for Land and £7,123,000 for Buildings. The fixed asset addition figure for Netherfield Primary School has been accounted for as a transfer in on conversion from the Local Authority and included within the accounts for the year ended 31 August 2019 as a donation. Netherfield Primary School is held under a 125 year lease from Nottinghamshire County Council at nil annual rental.

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**15. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	4,874	2,234
Other debtors	76,943	180,928
Prepayments and accrued income	134,926	131,534
VAT recoverable	246,423	413,091
Grants receivable	284,754	189,396
	747,920	917,183
	747,920	917,183

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

	2019 £	2018 £
Trade creditors	335,634	419,609
Other taxation and social security	137,841	133,164
Other creditors	134,093	127,959
Accruals and deferred income	224,262	187,107
	831,830	867,839
	831,830	867,839
	2019 £	2018 £
Deferred income at 1 September 2018	107,344	113,330
Resources deferred during the year	140,410	107,344
Amounts released from previous periods	(107,344)	(113,330)
	140,410	107,344
	140,410	107,344

Deferred income as at 31 August 2019 pertains to government grant funding received during the year, but relating partly or wholly to the year ending 31 August 2020.

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**17. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	734,628	130,362	(58,632)	-	-	806,358
<b>Restricted general funds</b>						
General Annual Grant (GAG)	77,630	8,966,406	(8,522,709)	(172,849)	-	348,478
Other DfE/ESFA grants	6,090	679,702	(659,175)	-	-	26,617
Other government grants	100,149	542,892	(584,435)	-	-	58,606
Other Income	44,216	176,531	(180,044)	-	-	40,703
Pension reserve	(3,064,000)	-	(446,000)	-	(753,000)	(4,263,000)
	<u>(2,835,915)</u>	<u>10,365,531</u>	<u>(10,392,363)</u>	<u>(172,849)</u>	<u>(753,000)</u>	<u>(3,788,596)</u>
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	1,397,758	422,880	(208,413)	(138,127)	-	1,474,098
Capital expenditure from GAG	1,620,697	-	(235,114)	310,976	-	1,696,559
Capital expenditure from other income	9,593,361	-	(326,552)	-	-	9,266,809
Transfer on Conversion	-	8,329,375	(141,972)	-	-	8,187,403
Revaluation reserve	-	-	-	-	14,946,814	14,946,814
	<u>12,611,816</u>	<u>8,752,255</u>	<u>(912,051)</u>	<u>172,849</u>	<u>14,946,814</u>	<u>35,571,683</u>

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Total Restricted funds</b>	<b>9,775,901</b>	<b>19,117,786</b>	<b>(11,304,414)</b>	<b>-</b>	<b>14,193,814</b>	<b>31,783,087</b>
<b>Total funds</b>	<b>10,510,529</b>	<b>19,248,148</b>	<b>(11,363,046)</b>	<b>-</b>	<b>14,193,814</b>	<b>32,589,445</b>

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

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE/ESFA grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education for people from a disadvantaged background.

Other Government grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings and facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals and trip income. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year in initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £446,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £753,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on, fixed assets. This includes assets inherited on conversion and revaluations. The total of resources expended with this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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



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

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Carlton le Willows Academy	1,036,642	783,435
Netherfield Primary School	244,120	179,278
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,280,762	962,713
Restricted fixed asset fund	35,571,683	12,611,816
Pension reserve	(4,263,000)	(3,064,000)
	<hr/>	<hr/>
<b>Total</b>	<b>32,589,445</b>	<b>10,510,529</b>
	<hr/> <hr/>	<hr/> <hr/>

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Carlton le Willows Academy	5,391,175	1,133,443	356,224	1,229,604	8,110,446
Netherfield Primary School	1,666,809	211,576	96,236	365,928	2,340,549
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Trust</b>	<b>7,057,984</b>	<b>1,345,019</b>	<b>452,460</b>	<b>1,595,532</b>	<b>10,450,995</b>
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**17. Statement of funds (continued)**

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
<b>Unrestricted funds</b>						
General Funds	513,720	291,545	(54,756)	(15,881)	-	734,628
<b>Restricted general funds</b>						
General Annual Grant (GAG)	225,212	7,932,122	(7,720,911)	(358,793)	-	77,630
Other DfE/ESFA grants	19,079	526,020	(526,523)	(12,486)	-	6,090
Other government grants	134,945	238,371	(273,167)	-	-	100,149
Other Income	26,503	208,828	(204,154)	13,039	-	44,216
Pension reserve	(2,071,000)	(1,519,000)	(359,000)	-	885,000	(3,064,000)
	<u>(1,665,261)</u>	<u>7,386,341</u>	<u>(9,083,755)</u>	<u>(358,240)</u>	<u>885,000</u>	<u>(2,835,915)</u>
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	1,006,775	603,076	(172,300)	(39,793)	-	1,397,758
Capital expenditure from GAG	1,857,509	-	(236,812)	-	-	1,620,697
Capital expenditure from other income	9,400,404	-	(220,957)	413,914	-	9,593,361
	<u>12,264,688</u>	<u>603,076</u>	<u>(630,069)</u>	<u>374,121</u>	<u>-</u>	<u>12,611,816</u>

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

	<i>Balance at 1 September 2017</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2018</i>
	£	£	£	£	£	£
<b>Total Restricted funds</b>	10,599,427	7,989,417	(9,713,824)	15,881	885,000	9,775,901
<b>Total funds</b>	11,113,147	8,280,962	(9,768,580)	-	885,000	10,510,529

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

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

	<b>Unrestricted funds 2019</b>	<b>Restricted funds 2019</b>	<b>Restricted fixed asset funds 2019</b>	<b>Total funds 2019</b>
	£	£	£	£
Tangible fixed assets	-	-	35,571,683	<b>35,571,683</b>
Current assets	806,358	1,306,234	-	<b>2,112,592</b>
Creditors due within one year	-	(831,830)	-	<b>(831,830)</b>
Provisions for liabilities and charges	-	(4,263,000)	-	<b>(4,263,000)</b>
<b>Total</b>	<b>806,358</b>	<b>(3,788,596)</b>	<b>35,571,683</b>	<b>32,589,445</b>

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

	<i>Unrestricted funds 2018</i>	<i>Restricted funds 2018</i>	<i>Restricted fixed asset funds 2018</i>	<i>Total funds 2018</i>
	£	£	£	£
Tangible fixed assets	-	-	12,529,291	12,529,291
Current assets	734,628	1,095,924	82,525	1,913,077
Creditors due within one year	-	(867,839)	-	(867,839)
Provisions for liabilities and charges	-	(3,064,000)	-	(3,064,000)
<b>Total</b>	<b>734,628</b>	<b>(2,835,915)</b>	<b>12,611,816</b>	<b>10,510,529</b>

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

	<b>2019</b>	<b>2018</b>
	£	£
Net income/(expenditure) for the year (as per Statement of financial activities)	<b>7,885,102</b>	<b>(1,487,618)</b>
<b>Adjustments for:</b>		
Depreciation	<b>912,053</b>	630,069
Capital grants from DfE and other capital income	<b>(284,754)</b>	(603,076)
Interest receivable	<b>(3,324)</b>	(4,205)
Decrease/(increase) in debtors	<b>173,993</b>	(506,933)
Decrease in creditors	<b>(40,740)</b>	(21,459)
Transfer in of Netherfield Primary School Property	<b>(8,329,375)</b>	-
Defined benefit pension scheme obligation inherited	-	1,519,000
Defined benefit pension scheme cost less contributions payable	<b>369,000</b>	289,000
Defined benefit pension scheme finance cost	<b>77,000</b>	70,000
<b>Net cash provided by/(used in) operating activities</b>	<b>758,955</b>	<b>(115,222)</b>

**20. Cash flows from financing activities**

	<b>2019</b>	<b>2018</b>
	£	£
Interest received	<b>3,324</b>	4,205
<b>Net cash provided by financing activities</b>	<b>3,324</b>	<b>4,205</b>

**21. Cash flows from investing activities**

	<b>2019</b>	<b>2018</b>
	£	£
Purchase of tangible fixed assets	<b>(678,255)</b>	(894,673)
Capital grants from DfE Group	<b>284,754</b>	603,076
<b>Net cash used in investing activities</b>	<b>(393,501)</b>	<b>(291,597)</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. Analysis of cash and cash equivalents**

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>1,364,672</b>	995,894
<b>Total cash and cash equivalents</b>	<b>1,364,672</b>	995,894

**23. Contingent liabilities**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Trust is required either to re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Trust's site and premises and other assets held for the purpose of the Trust, and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

**24. Capital commitments**

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<b>1,525,463</b>	151,000

**25. Pension commitments**

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

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

Contributions amounting to £128,882 were payable to the schemes at 31 August 2019 (2018 - £121,890) and are included within creditors.

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

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £731,385 (2018 - £641,307).

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

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

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**25. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £387,000 (2018 - £304,000), of which employer's contributions totalled £293,000 (2018 - £230,000) and employees' contributions totalled £ 94,000 (2018 - £74,000). The agreed contribution rates for future years are 18.30 per cent for employers and between 5.5 and 9.9 per cent for employees.

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

**Principal actuarial assumptions**

	<b>2019</b>	<i>2018</i>
	%	%
Rate of increase in salaries	<b>3.70</b>	3.80
Rate of increase for pensions in payment/inflation	<b>2.20</b>	2.30
Discount rate for scheme liabilities	<b>1.85</b>	2.65

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

	<b>2019</b>	<i>2018</i>
	Years	Years
<i>Retiring today</i>		
Males	<b>21.7</b>	22.7
Females	<b>24.4</b>	25.6
<i>Retiring in 20 years</i>		
Males	<b>23.3</b>	24.9
Females	<b>26.2</b>	28.0

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**25. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2019</b>	<i>2018</i>
	<b>£000</b>	<i>£000</i>
Discount rate +0.1%	<b>(184)</b>	<i>(147)</i>
Discount rate -0.1%	<b>188</b>	<i>150</i>
Mortality assumption - 1 year increase	<b>326</b>	<i>237</i>
Mortality assumption - 1 year decrease	<b>(314)</b>	<i>(229)</i>
CPI rate +0.1%	<b>167</b>	<i>134</i>
CPI rate -0.1%	<b>(163)</b>	<i>(131)</i>

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

	<b>At 31</b>	<i>At 31 August</i>
	<b>August 2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
Equities	<b>2,712,000</b>	<i>2,473,000</i>
Gilts	<b>142,000</b>	<i>107,000</i>
Corporate bonds	<b>374,000</b>	<i>402,000</i>
Property	<b>574,000</b>	<i>531,000</i>
Cash and other liquid assets	<b>127,000</b>	<i>70,000</i>
Inflation-linked pooled fund	<b>156,000</b>	<i>115,000</i>
Infrastructure	<b>216,000</b>	<i>143,000</i>
Unit trust	<b>44,000</b>	<i>-</i>
<b>Total market value of assets</b>	<b>4,345,000</b>	<i>3,841,000</i>

The actual return on scheme assets was £188,000 (*2018 - £238,000*).

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

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
Current service cost	<b>(581,000)</b>	<i>(518,000)</i>
Past service cost	<b>(80,000)</b>	<i>-</i>
Interest cost	<b>(77,000)</b>	<i>(70,000)</i>
Administrative expenses	<b>(1,000)</b>	<i>(1,000)</i>
<b>Total amount recognised in the Statement of financial activities</b>	<b>(739,000)</b>	<i>(589,000)</i>



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**25. Pension commitments (continued)**

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

	2019 £	2018 £
<b>At 1 September</b>	<b>6,905,000</b>	4,232,000
Transferred in on existing academies joining the trust	-	2,662,000
Current service cost	<b>581,000</b>	518,000
Interest cost	<b>183,000</b>	145,000
Employee contributions	<b>94,000</b>	74,000
Actuarial losses/(gains)	<b>835,000</b>	(722,000)
Benefits paid	<b>(70,000)</b>	(4,000)
Past service cost	<b>80,000</b>	-
	<u><b>8,608,000</b></u>	<u>6,905,000</u>
<b>At 31 August</b>	<b>8,608,000</b>	6,905,000

The Actuary has allowed for the estimated impact of the recent McCloud judgement as a past service cost. The estimated impact on the total liabilities as at 31 August 2019 is £80,000 (or 0.9% as a percentage of total liabilities)

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

	2019 £	2018 £
<b>At 1 September</b>	<b>3,841,000</b>	2,161,000
Return on plan assets (excluding net interest on the net defined pension liability)	<b>106,000</b>	75,000
Transferred in on existing academies joining the trust	-	1,143,000
Administration expenses	<b>(1,000)</b>	(1,000)
Actuarial gains	<b>82,000</b>	163,000
Employee contributions	<b>94,000</b>	74,000
Benefits paid	<b>(70,000)</b>	(4,000)
Employer contributions	<b>293,000</b>	230,000
	<u><b>4,345,000</b></u>	<u>3,841,000</u>
<b>At 31 August</b>	<b>4,345,000</b>	3,841,000

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**GREATER NOTTINGHAM EDUCATION TRUST**  
**(A company limited by guarantee)**

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**26. Operating lease commitments**

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

	2019 £	2018 £
Not later than 1 year	14,198	11,840
Later than 1 year and not later than 5 years	13,879	11,623
	<u>28,077</u>	<u>23,463</u>

**27. 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.

**28. Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the requirements of the academy trusts' financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the year.

Expenditure Related Party Transactions

The academy trust purchased education support services costing £4,450 (2018 - £29,625) from Mellers Primary School, a community school at which Ms A Dawson, a trustee, is the Head Teacher. The transactions were conducted at cost and in accordance with normal procurement practices. No amounts were owing at either year end.

**29. Post balance sheet events**

During the year ended 31 August 2019 discussions took place regarding the compulsory purchase by Nottinghamshire County Council of an area of school field owned by the Academy Trust. Subsequent to the year end a sale has been agreed for £355,066, net of costs. The financial statements have not been adjusted in respect of the sale.

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**30. Agency arrangements**

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the trust received £21,046 (2018: £18,998) and disbursed £21,046 (2018: £22,205) from the fund. In the 2018 year, the excess expenditure was paid from GAG income.