



Create Partnership Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2021

Company Registration Number
10318212 (England and Wales)

Feltons
Chartered Accountants

Birmingham
B1 3JR

**Create Partnership Trust
(A Company Limited by Guarantee)**

**Report and Financial Statements
Year ended 31 August 2021**

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**Create Partnership Trust
(A Company Limited by Guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Stella Blackmore (Appointed 04.08.16) Sue Egersdorff (Appointed 04.08.16) Justin Gray (Appointed 04.08.16) Mary Higgins (Appointed 04.08.16) Sarah Smith (Appointed 04.08.16)
Trustees	Mark Ellis (resigned 17.12.20) Sophie Garner (Appointed 24.03.21) Hana Haq (Appointed 24.03.21) David Hawker (Appointed 11.07.19; resigned 31.08.21) – Former Chair Mary Higgins (Appointed 08.08.16) – Jubayeth Hussain (Appointed 04.03.20) Julian Miller (Appointed 04.03.20) – Chair Jonathan Moore (Appointed 19.10.20) Becky Perkes (Appointed 24.03.21) Richard Selwyn (Appointed 04.03.20) Patricia Smart (Appointed 08.08.16 – ex officio)
CEO and Accounting Officer	Patricia Smart
Company secretary	Janine Gardner (Appointed 13 February 2017)
MAT Leadership Group	
<ul style="list-style-type: none">• Chief Executive Officer• Deputy Chief Executive Officer• Chief Operating Officer• Trust Accountant• Human Resources Manager• Strategic Operations Manager• Headteacher, Brookfields Primary• Headteacher, Conway Primary• Interim Executive Headteacher, Greet Primary• Headteacher, Hodge Hill Primary	Patricia Smart Andrew Bush (Resigned 09.20) Kiran Vithal (Appointed 01.01.21) Paul Byford Collette O’Connell Janine Gardner Selina Lees Tania Yasmin Tania Yasmin Clare Lucas
Company name	Create Partnership Trust
Principal and registered office	C/o Greet Primary School Percy Road Sparkhill Birmingham B11 3ND
Company registration number	10318212
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank PLC
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES

Create Partnership Trust (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report (incorporating a strategic report) under company law.

The multi academy operates 4 primary schools serving catchment areas in Birmingham which are:

- Brookfields Primary School (from 1 November 2018)
- Conway Primary School (from 1 September 2016)
- Greet Primary School (from 1 September 2016)
- Hodge Hill Primary School (from 1 January 2017)

They have a combined pupil capacity of 2,624 (including 104 FTE Nursery places) and had a combined roll of 2,250 in the school census in October 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Create Partnership Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the multi academy trust. The Trustees of Create Partnership Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Create Partnership 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.

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.

Trustees' indemnities

In accordance with normal commercial practice the multi academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on multi academy business. Insurance is covered through the RPA scheme.

Method of recruitment and appointment or election of Trustees

Where recruitment of new Trustees is required, the Trust adheres to the Articles of Association and implements the following rigorous procedures:

The role is advertised locally, with DfE recommended agencies (e.g. Academy Ambassadors) and on the websites of the Trust and the schools. Trustees also use their extensive networks to obtain applications. Candidates are required to complete an application form. Applications are reviewed by an appointed Members' selection committee who conduct the interviews and make the appointments.

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Trustees' report for the year ended 31 August 2021 (continued)

Skills-based Trustees may be appointed by the Members provided that the person who is appointed as a Trustee:

- Is a skilled professional
- Is committed to the governance and success of the Trust
- Subscribes to the Trust's vision and values

The term of office for any Trustee is four years, with the exception of the Chief Executive Officer (CEO), who has an ex-officio role. Subject to remaining eligible to be a particular type of Trustee, a Trustee may be reappointed or re-elected.

The Trust's Articles of Association allow for up to 12 Trustees to be appointed by ordinary resolution.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience and is tailored specifically to the individual. Induction includes training on child safeguarding and, where necessary, educational, legal and financial matters. All new Trustees are normally given the opportunity to have a tour of the schools within the Trust and to meet with staff and pupils; however this has not been possible during 2020/21 due to COVID-19 restrictions.

Trustees are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and any other documents they need in order to undertake their role. The Trust has a service level agreement with the trustee support department of Anthony Collins Solicitors to provide training, advice and support. The Trust also receives HR legal advice from Browne Jacobson.

Organisational structure

Create Partnership Trust was set up with an organisational structure to support the needs and aspirations of the Trust and its schools. It consists of three levels of governance - the Members and Trustees (or Directors) and a Local Advisory Board (LAB) for each school, once they are judged to be *good*.

There are currently five Members and nine Trustees, with provision over time for twelve Trustees. One Member is also a Trustee and provides a link between the two groups. The Members are the custodians of the Trust, ensuring that its vision and values are reflected in its work. The Members appoint the Trustees. The Board of Directors (Trustees) is fully accountable for the performance of the Trust, including its schools. Currently Greet Primary is the only school to have a Local Advisory Board but the Trust is keen to extend this arrangement to Conway Primary as soon as possible, and to Brookfields Primary and Hodge Hill Primary when they receive an Ofsted judgement of *good*.

The current Board includes knowledge of educational, finance, audit, school improvement and safeguarding.

Decisions relating to financial structures and financial data and reporting requirements are reserved for the Board of Trustees which takes advice and recommendations from the Finance and Audit Committee. Those responsibilities delegated to management include the daily operation of financial controls along with compliance with the Academies Financial Handbook (now known as the Academy Trust Handbook), reporting of financial data in accordance with ESFA guidelines and the production of annual accounts and financial reports.

The Trust ensures that governance at all levels is of the highest quality in order to secure the confidence of its stakeholders and to fulfil the seven Nolan principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. An agreed Code of Practice is in place for Members, Trustees and Local Advisers. All arrangements fulfil the requirements expected by the Department for Education (DfE) and the Education & Skills Funding Agency (ESFA).

The Trust has a detailed scheme of delegation for governance functions which clarifies decision-making at various levels – for Members, Trustees, CEO/COO, Local Advisory Boards (LABs) and Executive

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Trustees' report for the year ended 31 August 2021 (continued)

Headteachers, Headteachers or Heads of School (EHT/HT/HoS). The scheme is reviewed at least annually and sits alongside the financial scheme of delegation.

During 2020/21 the Board has had six Committees, with approved terms of reference:

- The Finance and Audit Committee
- The Curriculum and Resources Committee
- The Scrutiny Committee
- The Pay Committee
- The CEO Appraisal Committee
- Greet Local Advisory Board

The Committees have detailed terms of reference and standardised agendas to ensure that all appropriate business is conducted. Committee Chairs report to the full Board.

Other matters may be dealt with by the formation of a single purpose panel and adherence to the appropriate policy and procedures. These include:

- Appeals
- Complaints
- Staff and pupil discipline
- Staff capability

The Board of Trustees also appoints a responsible officer (CEO/Accounting Officer) whose role has been fully implemented in accordance with the Trust's financial procedures. The CEO has overall responsibility for the Trust's strategic direction and the implementation of its policies and practices.

The CEO is supported by Create Central Leaders in providing a centralised business function for its schools. It works closely with the EHT/HTs/HoS in the MAT Leadership Group (MLG) which is the primary decision-making group for the operations of the Trust in terms of its relationships with the schools and is chaired by the CEO. This year, the MLG has focused on the school improvement function, leaving the majority of business/finance decisions to Create Executive (the central senior team) and its work in Operational Meetings (OMs) with each school. Its role is to work collaboratively to make joint decisions, recommend and/or implement Board policy and agree various plans and strategies for implementation in each school.

The day-to-day leadership and management of a school is delegated to its EHT/HT who is supported by the school's Leadership Group (senior leaders) and Leadership Team (middle leaders). The EHT/HT is responsible for the provision of the best possible education for its pupils within the agreed budgets and scheme of delegation approved by Trustees. The role of EHT this year has been undertaken at Greet Primary and Conway Primary.

The Board and its Committees receive regular reports from the CEO and COO, supported by Create Central leaders. The EHT/HT produce a termly School Profile for the CEO, COO and the Board.

The team of Create Central leaders is known as Create Executive and comprises the CEO, COO, Trust Accountant, HR Manager and Strategic Operations Manager. They are supported by a small team of other staff including Assistant Management Accountant, Finance Officer and Finance Assistant. The team has been supported this year by a part-time teacher and European interns as part of the Erasmus programme. The Senior Leader for School Improvement is also part of Create Central but is focused predominantly on direct support for the schools concerned.

Arrangements for setting pay and remuneration of key management personnel

The CEO, COO, EHT/HT/HoS and other senior leaders on the leadership scale have salary ranges commensurate with the scope and responsibilities of their post. Salary ranges are approved by the Board to ensure Trust-wide pay parity and consistent structures and expectations.

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Trustees' report for the year ended 31 August 2021 (continued)

The appraisal and pay of the CEO is determined by the Trustee's Pay Committee as a result of the annual appraisal review. The pay of the COO, EHT/HT/HOS and their senior teams is also determined by the Pay Committee, taking recommendations from the CEO, following appraisal reviews. The Pay Committee agrees the pay and reports to the Board. All pay uplifts remain within the agreed ranges.

The Trust is committed to pay parity for staff and leaders at various levels but recognises that schools may join the Trust with different legacies. The achievement of pay parity may take 12-24 months, bearing in mind that formal staff restructuring may be required and subsequent salary safeguarding may be required.

All staff in Create Central are paid on the support staff pay scales, with the exception of the CEO and Senior Leader for School Improvement, who are qualified teachers. Appraisal and pay progression of the Create Central team is determined by the CEO or COO and the pay is approved by the Trustees.

No Trustees (other than the CEO as employee) are in receipt of any remuneration, other than the refund of out-of-pocket expenses incurred in the line of performing their duties for the Trust. The CEO and other Trustees have not claimed any expenses this year.

Trade union facility time

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2017 is as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
2020/21	3.5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1% - 50%	3.5
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£9,628
Total pay bill	£9,875,588
Facility time as percentage of total pay bill	0.10%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and other Connected Charities and Organisations

The Trust purchases some services from the Birmingham Education Partnership (BEP). The CEO is a member of BEP's Board of Trustees as a school leader representative, for which no remuneration is received. In the past, the CEO has undertaken small amounts of paid school improvement work for BEP for which the Trust received payment but none has taken place this year. All purchases have been made in accordance with the Trust's financial policy and scheme of delegation and comply with the requirements on trading with connected parties as set out in the Academies Financial Handbook now known as the Academy Trust Handbook. These purchases have included staff attendance at middle leader training events and school membership of BEP. The CEO plays no part in schools' decisions to work with BEP.

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Trustees' report for the year ended 31 August 2021 (continued)

The Board's terms of reference include the statement:

Any member of the (Board or Committee) who has any duty or personal interest which conflicts with or may conflict with the duties of membership, must disclose the information to the (Board or Committee) immediately and must give apologies and withdraw from meetings while any potentially conflicting matters are discussed.

This year, the Trust is further clarifying expectations for leaders and staff with regard to related party transactions, in the light of ESFA guidance.

The Trust is involved with a range of school networks in Birmingham including other multi-academy trusts where the CEOs collaborate on specific projects (e.g. peer review). It also provides some support as required by the DfE, through the work of the CEO who is a National Leader of Education (NLE).

The schools are also involved in different consortia and networks and have partnerships with arts or sports organisations, the English and mathematics hubs and research schools, in order to further their curriculum provision.

Objectives and activities

Objectives and aims

The aims of the Trust:

- To maintain current strengths and successful futures for all stakeholders, based on a collaborative culture with shared values and clear moral purpose
- To ensure that all schools become forward thinking and dynamic centres of learning excellence
- To develop strong working partnerships internally and externally

The strategic goal of Create Partnership Trust is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the multi academy trust and the Department for Education.

Established in September 2016 with two schools, Greet and Conway, the Trust welcomed Hodge Hill in January 2017 and Brookfields in November 2018. Create Partnership Trust is a relatively young MAT but with high aspirations for its stakeholders, aiming to create secure futures for all. From the beginning, we established strong governance and leadership structures as the foundation for future growth.

Objectives, Strategies and Values

The Trust's priority first and foremost, is the safety, welfare and good progress of our pupils. Our responsibility for them and commitment to their personal, academic and social development remain paramount. All our business and operations work is focused on making such improvements that will impact directly on our pupils.

We believe that our four key objectives are the essential areas for development:

1. GROW -The *sustainable* growth of the Trust - *developing a business growth model which includes a range of schools so that all feel supported and challenged, can grow professionally and make outstanding progress*
2. IMPROVE - School improvement - *developing a systematic model with clear accountability structures, using our collective strengths to demonstrate consistently high performance in terms of safeguarding, leadership, teaching, curriculum and assessment*
3. SUPPORT - Earlier intervention and improved transition - *meeting the needs of pupils so that barriers to learning are quickly identified and removed as soon as possible, especially for the most vulnerable pupils and their families*
4. LEAD - Staff recruitment, retention, leadership development and succession planning - *providing a strategic approach which invests in the staff, building their skills so that they, the schools and Trust strengthen.*

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Trustees' report for the year ended 31 August 2021 (continued)

In order to put these key objectives into practice, we develop them into a set of broad actions over three years and further into annual action plans. We are committed to developing our leadership and governance into new projected models so that our invitation to others is appealing. Ultimately, we have high expectations of ourselves and we aim to demonstrate to future partner schools that Create Partnership Trust is one worth joining.

The Trust's values

Underlying all our work both centrally and in our schools are the Trust's three values:

- Excellence – striving to be the best we can be
- Partnership – working in collaboration for the benefit of all
- Perseverance – remaining strong and focused in the face of challenge

Public benefit

In setting our objectives and planning our activities, the Board of Trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at www.gov.uk/topic/running-charity/managing-charity in exercising their powers or duties.

Create Partnership Trust is an equal opportunity employer and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

The Trust oversees four large primary schools and all associated support functions.

STRATEGIC REPORT

Achievements and Performance

The academic year 2020/21 continued to be dominated by the impact of the COVID-19 pandemic and presented the Trust and its schools with big challenges to integrate pupils and staff back to regular school-based ways of working and to ensure optimum achievement.

From the end of the previous academic year, we worked on:

- The continuing need to monitor our pupils' safety, safeguarding and wellbeing
- The development of remote education and blended learning – which has continued if pupils have been forced to stay at home during periods of isolation
- The physical and emotional effect on all stakeholders across our Trust including staff and families
- The costs of providing the right levels of support, the physical and organisational arrangements and the great cost of employing agency staff to sickness and isolation.

Inevitably it has been difficult to achieve regular pupil performance objectives but we have been able to seize a few important opportunities: notably the professional development of our staff and the agreement on our joint vision for and approach to the curriculum and its assessment.

Despite much effort going into very detailed risk assessments and operational planning and response, the Trust has maintained momentum in moving the schools forward and giving them the right kind of support from the Create Central team.

The Trust is not publishing pupil assessment data for 2020/21; however, the development of meaningful formative assessment is a key area for development in 2021/22, alongside the implementation of the curriculum.

Partnership working within and between our schools is a key feature of the way we work. Our schools all present challenges in terms of achievement on entry, levels of disadvantage and for some, a legacy of weak leadership prior to joining the Trust.

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Trustees' report for the year ended 31 August 2021 (continued)

The Trustees pay tribute to our Headteachers, Heads of School and their staff teams for the way they have dealt with the impact of the pandemic, their strong operational risk management and important eye for detail and the resilience and perseverance they have had to demonstrate.

It is envisaged that much of the work to establish leadership, teaching and learning during the pandemic is likely to continue for some time, so all plans for the future will necessarily have to take account of COVID-19. We can expect that objectives and actions may have to be adapted if the spread of the virus continues in our communities.

We believe that, despite the pressures this year, our schools and the Create Central team have responded admirably to the pandemic and initiated a range of solutions which have placed health, welfare and safeguarding at the heart of all actions. And further, the efforts to improve our schools and provide a good range of services have not diminished.

Some examples of our work in relation to our four key objectives

PRIORITY 1 - GROW: *The sustainable growth of the Trust - developing a business growth model which includes a range of schools so that all feel supported and challenged, can grow professionally and make outstanding progress*

The Trust has progressed significantly during 2020/21 by developing the capacity of Create Central to enable further support for its schools and to build the resources and skills to support future schools joining us. This ensures that equivalent school-based posts can be gradually reduced and greater efficiencies can be made through increased centralisation of the back-office function which supports:

- Business and operations
- Financial management and control
- HR guidance
- Estates and asset management
- School improvement
- Erasmus programmes

Erasmus

Despite the disappointment caused by the restrictions on European travel, work has continued on our school-based Erasmus projects and in maintaining links with our European partners. The Strategic Operations Manager and the EU Teaching Project Manager continue to work with the teachers in our schools to deliver the project objectives and share good practice in:

- Teaching pupils with EAL
- Parental engagement
- Early entrepreneurial skills
- Management skills for teacher leaders

Governance

Following an active recruitment campaign, our governance skill set has continued to expand with the Members' appointment of three new Trustees, who have volunteered to join or lead one of our specialist Committees as well as the Board itself. The Committee structure is being updated further from September 21. Governance guidance, a code of conduct and terms of reference for the Board's work have all been updated. Further recruitment will be necessary, and we shall look carefully at the skills, attitudes and experiences of potential candidates to strengthen governance in future.

Contracts

The Trust has now successfully tendered contracts for catering, ICT, cleaning and asset management to external providers with the aim of making cost efficiency savings as well as improving the quality of provision across Trust schools. Ongoing cost and best value reviews of all critical areas of expenditure continue to be completed to maximise the funds available to support teaching and learning and, as a result, some changes will be made during 2021/22. The Trust has consolidated its previous work to centralise the finance function.

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Trustees' report for the year ended 31 August 2021 (continued)

Staffing costs

The Trust has continued to see the financial benefits of the staff restructuring and remodelling across all four schools which took place in 2019. The cost savings were not immediately noticeable in the first year because redundancy payments had been included and some salary safeguarding arrangements were put in place, but year on year, we have seen the benefits accrue, ensuring that the schools have more financial resources available.

Differences between the schools remain and some retain a legacy of high numbers of staff paid at the top of the scale or range. This brings both advantages and disadvantages. High staffing costs can be a financial drain on the school, leaving limited funds for resources or repairs, for example. However, expensive staff are often those with the most experience of raising standards and improving schools. The Board is keen to track staffing costs (as the key cost for the schools), using appropriate benchmarking data.

Policy development

A wider range of Trust policies has been introduced this year, together with reviews of previous policies and sets of principles for each school to adhere to. These include:

- Adult behaviour (review)
- Adult use of social media (new)
- Appraisal (review)
- Collective worship (review)
- Complaints (review)
- Data protection (review)
- Dealing with allegations against adults (new)
- Designated teacher for CLA/PLAC (review)
- Document management retention and destruction ((review)
- Equalities statement and objectives (review)
- Emergency plan - business continuity (review)
- Expenses (review)
- EYFS principles (new)
- Gifts and hospitality (new)
- Health and safety (review)
- ICT acceptable use (review)
- Missing pupil (review)
- No platform (review)
- Pay (review)
- Positive handling (new)
- Premises management (new)
- Provision for pupils during Ramadan (new)
- Pupils with medical and health needs affecting attendance (new)
- Relationship and health education (new)
- Religious education(review)
- Risk management (new)
- Safeguarding and child protection (review)
- School exclusions (new)
- SEND (review)
- Staff attendance (review)
- Staff flexible working (new)
- Staff special leave of absence (review)
- Staff wellbeing (review)
- Support staff probation (new)
- Supporting children with medical conditions (review)
- Waste management (new)
- Whistleblowing (review)

The schools have many opportunities to plan and deliver independently because the Trust recognises that each has a unique context and character; however, some level of standardisation is necessary to assist consistency and equality across the Trust and to support the schools with weak legacies or when there are any negative indicators. The schools also produce their own school-based policies and are encouraged to

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Trustees' report for the year ended 31 August 2021 (continued)

share them across the Trust to reduce workload and make a wider contribution. It is generally seen as good practice to discuss school policies with the CEO or colleagues in Create Central.

External review

The Trust has ensured a good level of external monitoring of the schools both as quality assurance and as a means of achieving consistency. Should any concerns be raised during a review, the school will receive another visit within six months to ensure that it has progressed and is fully compliant. The Trust also commissions a School Performance Partner (see IMPROVE).

Estates

The Trust has developed a more sophisticated asset management structure to enable more detailed building condition and site-specific project surveys and support the CIF capital project bidding process. The Trust is committed to developing school environments which are not only safe and secure but also promote pupils' learning. All the schools need to ensure good financial management so that optimum funds are available in school budgets, in addition to the external CIF bids, etc.

Communications: schools and Create Central

There are many (daily examples) of good communications between the schools and Create Central. The central team is always available to answer queries, give advice or undertake actions in the broad fields of finance, HR and estates/assets/facilities. Operational Meetings (OMs) are held about monthly to explore and update on all themes, attended by the CEO, COO, Trust Accountant, HR Manager, Strategic Operations Manager, EHT/HT/HoS and often the DHT, Site Manager and/or Office Manager. These meetings give everyone the opportunity to drill down to an individual school's needs.

Further work has been undertaken this year to consider a new HR management system and source a new payroll provider. There are also new-style newsletters, Trust website and general communications style.

Pupil numbers

The importance of pupil numbers has become even clearer as admissions numbers dropped across the City, due to the lower birthrate. Unless there is increased migration, the situation is likely to continue for some years and will affect the Trust's financial situation. We are considering closely our financial strategy including whether we will require the same staffing levels as pupil numbers decrease. This year, we have already needed to restructure the senior leadership at Brookfields to accommodate these changes.

Plans for 2021/22

- The continued growth of the Trust to secure additional schools. We are actively considering a range of solutions to build capacity and secure future sustainability.
- The further strengthening of the Trustee skill set across all the Board Committees: the active recruitment of additional Trustees to further strengthen the skills on the Board and provide greater strategic support to the Executive Team.
- Annual plan for Board & Committee meetings content and protocol, including continued COVID-19 response
- Continued monitoring of external contracts to ensure value for money, quality and effectiveness
- Review of pupil numbers leading to a planned financial strategy to ensure that each school is sustainable
- Data dashboards and benchmarking systems – finance, estates and school improvement
- Policies/key documents – mainly updates and reviews of previous policies
- Leadership succession plan for the Trust

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Trustees' report for the year ended 31 August 2021 (continued)

PRIORITY 2 – IMPROVE: School improvement - *developing a systematic model with clear accountability structures, using our collective strengths to demonstrate consistently high performance in terms of safeguarding, leadership, teaching, curriculum and assessment*

Both Brookfields and Hodge Hill have seen increasing stability in terms of leadership actions and stakeholder response. Conway has continued its good journey and has been able to share many aspects of pedagogy, curriculum rationale and planning with the other schools. Greet has seen some leadership adjustment over the past year and many changes are now in operation.

The 2019 large-scale staffing restructure in all schools in has led to clarity of roles and greater consistency between the schools as well as new ways of working and teaching plus several cost savings, helping to make the school budgets more viable.

The work of the commissioned School Performance Partner is highly valued by the Trust and the schools. The work has gained greater depth through, for example, the collaborative development of a Trust-wide set of curriculum principles, based on research evidence, and in the provision of individual and group coaching to senior and middle leaders.

The MAT Leadership Group (MLG) is an effective forum for information sharing and decision making. In addition to the regular involvement of Headteachers, other invitations are extended to Deputy Headteachers and the Senior Leader for School Improvement. This enables a wider contribution and a professional development opportunity. Decision-making is broadly via consensus as the Trust believes strongly in the importance of respect for different colleagues' roles and views and greater engagement when contributions are considered.

The Senior Leader for School Improvement has mainly supported Hodge Hill Primary School with some support to Greet Primary at the end of the year.

A number of key policies and sets of principles have been agreed which help to ensure consistent practice, notwithstanding the ability of each school to make many decisions for itself, in the light of its unique context and challenge. Trust policies for school improvement include:

- Collective worship (review)
- Designated teacher for CLA/PLAC (review)
- Equalities statement and objectives (review)
- EYFS principles (new)
- Missing pupil (review)
- No platform (review)
- Positive handling (new)
- Provision for pupils during Ramadan (new)
- Pupils with medical and health needs affecting attendance (new)
- Relationship and health education (new)
- Religious education (review)
- Safeguarding and child protection (review)
- School exclusions (new)
- SEND (review)
- Supporting children with medical conditions (review)

Trust-wide opportunities for colleagues to work together in networks have continued with the Safeguarding Group playing a major role in guiding the schools and Create Central and keeping everyone up-to-date with new policies, etc. There were some meetings this year for colleagues to work on the EYFS but these were limited in number and affected by lockdown

The Teaching School is now disbanded in the light of national changes. Greet can look back at a good decade of work in this area but we recognise that we need to move in line with the changing educational landscape.

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Trustees' report for the year ended 31 August 2021 (continued)

Plans for 2020/21

- Preparation for Ofsted inspection – Brookfields, Greet and Hodge Hill
- Development of assessment principles and practice – collaborative work in line with the new curriculum principles
- Data dashboards and benchmarking systems – school performance
- Policy updates – as required
- Working with a new Teaching School hub

PRIORITY 3 – SUPPORT - Earlier intervention and improved transition - *meeting the needs of pupils so that barriers to learning are quickly identified and removed as soon as possible, especially for the most vulnerable pupils and their families*

Much of the work to support our most vulnerable pupils takes place at school level because each school knows its own community best. The schools work closely with multi-agencies in order to secure the best possible provision for pupils.

The Trust has identified child safeguarding and child protection as the most important priority with its Safeguarding Group of cross-Trust senior leaders now an established forum for reviewing, checking and evaluating safeguarding practice. This has provided a good model for subsequent cross-Trust working groups.

Through lockdown, the connections with our families remained strong. Our schools used a variety of strategies to keep in touch with families and directly with pupils – by phone, email, letters, doorstep visits, etc. Despite strange times, the Trust is pleased to have been able to maintain communications – often very much appreciated by our pupils and families.

Once the schools were advised to begin wider opening, they focused on pupils' attendance as a key feature. This emphasis is likely to continue further because there are so many factors which can affect it – anxiety, self-isolation, community isolation, shielding, illness, multi-generational living, etc.

A number of policies have been approved Safeguarding and child protection and a range of associated policies at Trust-level and many more at school level.

Plans for 2020/21

- SENDCO provision – confirmation of appointments, training, provision and impact
- Equalities – strategy, policy, practice
- Data dashboards – equalities data
- Ongoing COVID – management issues including remote learning, online safety, checks on wellbeing
- Policy: as required

PRIORITY 4 – LEAD - Staff recruitment, retention, leadership development and succession planning - *providing a strategic approach which invests in the staff, building their skills so that they, the schools and Trust strengthen.*

The Trust's leaders and staff have made excellent efforts to steer and support the schools through the management of COVID-19. One of the advantages of the schools' partial lockdown was that we could give time to staff professional development and preparation for remote education and/or blended learning. Many staff worked initially from home and could use online opportunities for meetings and training purposes. Once they returned to school, good plans for social distancing were implemented.

Create Partnership Trust (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2021 (continued)

Trust-wide meetings (MLG/OM/Safeguarding Group/Curriculum Group, etc) carried on as normal and the use of Microsoft Teams became a regular feature of working life.

Interim leadership arrangements between Greet and Conway were completed. Permanent HTs were appointed at Greet and Conway and a second DHT was appointed at Greet Primary. A senior leadership restructure was conducted at Brookfields to respond to the lower pupil admission rate.

Joint recruitment strategies have been used which have saved money in terms of advertising and enabled Headteachers to work together in identifying the best people to meet their unique challenges. The Trust has seen some examples of its being able to attract people who want to work for the Trust and not just the individual school. This means that our future staff development can concentrate on how to retain staff in the Trust and not lose them as they seek promotion elsewhere.

Create Central is a strong central team with good communications to and relationships with the schools. Our schools are supported with a wide range of HR issues. Where necessary the Trust receives further legal advice from Browne Jacobson.

There has been much work to develop and review/refine Trust-wide HR policies (e.g Capability, Code of conduct, Dignity at work, Communications protocols, Disciplinary, Grievance, Informal support plans, Pay, Recruitment and selection, Safer recruitment). These will continue

Plans for 2020/21

- Data dashboards and benchmarking systems – HR and stakeholder engagement
- Policy – HR policies for update
- SEND leadership provision

Key Performance Indicators

Each *outstanding* school:

- demonstrates annually that it remains *outstanding*
- gains a further Ofsted *outstanding* judgement (likely to be 2-3 years)

Each *good* school:

- demonstrates annually that it is at least *good*
- shows significant aspects of *outstanding* practice within 2 years
- gains at least one Ofsted *outstanding* judgement (likely to be 2-3 years)

Each school *requiring improvement* on joining the Trust:

- demonstrates increasing *good* practice within 1 year
- demonstrates significant aspects of *good* practice within 2 years
- gains at least two Ofsted *good* judgements e.g. leadership and management; quality of education (likely to be 2-3 years)

Each school judged to be *inadequate* on joining the Trust:

- demonstrates increasing *good* practice within 1 year
- demonstrates significant aspects of *good* practice within 2 years
- gains at least one Ofsted *good* judgement (likely to be 2-3 years)

All schools in the Trust:

- evidence excellent leadership at all levels which promotes rapid school improvement and inclusive pupil management
- reduce gaps against national figures for pupils' standards and progress, aiming for above national averages
- evidence that teaching is consistently at least *good* and, if not, that robust action is being taken to ensure rapid improvement

Create Partnership Trust (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2021 (continued)

- evidence that a plan is in place to significantly demonstrate that the curriculum is moving from *intent* to *implementation* to *impact*
- evidence of continuing good management to ensure a COVID-secure school
- demonstrate accurate school self-evaluation
- ensure that the school is solvent and submit plans which are financially realistic and robust, whilst meeting the school's challenges over time
- demonstrate significant contributions to the Trust's four key objectives: GROW, IMPROVE, SUPPORT and LEAD
- ensure that the Trust's values are reflected in school life: EXCELLENCE, PARTNERSHIP and PERSEVERANCE

The Trust as a whole:

- ensures that it is solvent and compliant in meeting all statutory and advisory expectations
- ensures that its four key objectives are addressed
- ensures that its values are reflected in its work
- demonstrates on-going due diligence so that all schools function well in terms of safeguarding, finance, leadership and pupils' outcomes
- demonstrates that Trust intervention will be used if safeguarding, finance leadership or pupils' outcomes fall below expectation
- maintains a comprehensive risk register and identifies mitigation strategies for all risks in medium to high categories
- grows sustainably

Financial key performance indicators:

Direct costs for 2020/21 as a percentage of total costs were 71.7% (2019/20: 72.4%)

Support costs as a percentage of total costs were 27.6% (2019/20: 26.7%)

Total payroll costs as a percentage of recurring income were 75.5% (2019/20: 73.3%)

Teaching school costs as a percentage of total costs were 0.7% (2019/20: 0.9%)

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

The Trust is monitoring pupil numbers in its schools to ensure that budgets are not adversely affected by the general decline in birth rates affecting nursery classes and primary schools.

Financial Review

The financial results of Create Partnership Trust are detailed in the following pages. It is considered that the finances are based on sound and well-established structures. The principal financial management policies adopted are laid down by the Academy Trust Handbook published by the ESFA and requirements as laid down by the Trust' Financial Regulations Handbook.

Over the past two years, the Trust has undertaken a root and branch review of its finance systems, procedures and controls and now has centralised systems in place and a clear set of protocols for schools to follow. Feedback from the central team, the schools and auditors has been positive and the Trust is now in a much stronger position.

Create Partnership Trust (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2021 (continued)

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the multi academy.

During the year ended 31 August 2021 total resources expended were £13,669,639 and the surplus of income over expenditure was £114,138 which included depreciation of £715,482.

Reserves Policy

The Trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the general policy of the Board of Trustees to continue to build reserves which can be used for future educational purposes and a cushion to enable the Trust to deal with unexpected emergencies.

The Trust had total funds at 31 August 2021 of £15,316,504 which included a surplus of £901,717 on restricted funds not available for general purposes of the multi academy trust, £nil free reserves defined as unrestricted funds available for general purposes and £25,741,787 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £901,717.

In addition, the deficit on the restricted pension fund of £11,327,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

The Trustees regularly review the level of reserves and aim to maintain them at a minimum of 3 months of expenditure.

The Board will review the Reserves policy during 2021/22.

Investment Policy

The Trust has invested £50,000 of the Multi Academy Trust's funds in a high interest bank account with Lloyds Bank. These funds have been invested until a strategy has been decided upon as to the best use of the funds.

These investments are carried out in accordance with the powers vested in the Board of Trustees.

The Board will review the Investment policy as required.

Principal Risks and Uncertainties

The Trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

The Trust's Risk Register identifies risk in the following categories:

- Compliance
- Curriculum and educational performance
- Finance
- Growth and change management
- Strategic leadership

**Create Partnership Trust
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Trustees' report for the year ended 31 August 2021 (continued)

- Asset management
- COVID-19

The Trust's Risk management policy will be reviewed in 2021/22.

Fundraising

Each school may develop fund-raising activities (summer fayres, non-uniform days etc) and are not bound by any voluntary scheme. Participants in these activities are staff, parents and pupils and not professional fundraisers, commercial participants or the general public. All participants do so on a voluntary basis and are not subject to intrusive, persistent or undue pressure from the schools or the Trust.

Plans for Future Periods

Plans are in place to address all four key objectives (as above). Our aim is to grow cautiously but with ambition, ensuring that we build capacity wherever possible before growth. Our ambition above all else is for our pupils in creating secure futures for them through achieving the best they can.

The Trust is developing a longer-term strategic plan which will include risk/growth, succession planning and a continued upward trajectory in terms of educational performance.

The Trust recognises that significant capital sums are required to ensure that the estates are improved and maintained over the next three to five years.

Engagement with employees

The Trust maintains a wide range of policies to support its employees. These are shared with the trade unions as part of a consultation process. The Trust is fully committed to its duty of care for all employees under, for example, its policies for Health and safety, Pay, etc. The next stage of the work is to develop a robust equalities policy during 2021/22.

Funds Held as Custodian Trustee on Behalf of Others

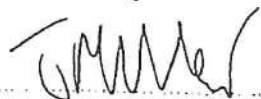
The Trust does not hold any funds as custodian trustee on behalf of others.

Auditor

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Directors (Trustees), as the company directors, on 15 December 2021 and signed on the Board's behalf by



Julian Miller – Chair of the Board of Trustees

**Create Partnership Trust
(A Company Limited by Guarantee)**

Governance statement for the year ended 31 August 2021

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Create Partnership Trust and the Secretary of State for Education. The CEO is 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 four times during the year. Attendance during the year at meetings of the Board of Trustees was as follows :

Name	Role	21 Oct 20	16 Dec 20	24 Mar 21	14 July 21
Stella Blackmore	Member	N/a	In attendance	N/a	In attendance
Sue Egersdorff	Member	N/a	In attendance	N/a	In attendance
Justin Gray	Member	N/a	In attendance	N/a	In attendance
Mary Higgins	Member/Trustee	In attendance	In attendance	In attendance	In attendance
Sarah Smith	Member	N/a	In attendance	N/a	In attendance
Sophie Garner	Trustee	N/a	N/a	In attendance	Apologies
Hana Haq	Trustee	N/a	N/a	In attendance	In attendance
David Hawker	Trustee - Chair	In attendance	In attendance	In attendance	In attendance
Jubayeth Hussain	Trustee	In attendance	In attendance	In attendance	In attendance
Julian Miller	Trustee – Vice Chair	In attendance	In attendance	In attendance	In attendance
Jonathan Moore	Trustee	In attendance	In attendance	Apologies	In attendance
Becky Perkes	Trustee	N/a	N/a	Apologies	In attendance
Richard Selwyn	Trustee	In attendance	In attendance	In attendance	In attendance
Pat Smart	Trustee - CEO	In attendance	In attendance	In attendance	In attendance

The **Finance and Audit Committee** is a Committee of the main Board of Trustees. It operates in two parts.

The main purpose of the Finance section is to:

- review and monitor expenditure and the financial performance of the Trust at least termly in line with the approved budget
- review and monitor the management of the Trust's resources including premises and assets
- oversee matters relating to HR

The main purpose of the Audit section is to:

- receive and review internal and external audit reports
- ensure the Trust is adhering to health and safety procedures
- have oversight of risk management and its mitigation
- evaluate the effectiveness of financial controls

During the year the attendance for the Finance and Audit Committee meetings was as follows:

Name	Role	7 Oct 2020	2 Dec 2020	10 Mar 2021	7 July 2021
Mark Ellis	Trustee	In attendance	Apologies	N/a	N/a
Sophie Garner		N/a	N/a	N/a	In attendance
Jubayeth Hussain	Trustee - Chair Audit	In attendance	In attendance	In attendance	Apologies
Julian Miller	Trustee – Chair Finance	In attendance	In attendance	In attendance	In attendance
Jonathan Moore	Trustee	N/a	N/a	In attendance	N/a
Becky Perkes	Trustee	N/a	N/a	N/a	In attendance

**Create Partnership Trust
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Governance statement for the year ended 31 August 2021 (continued)

The **Scrutiny Committee** is a Committee of the main Board of Trustees. Its main purpose is to:

- have oversight of each school's performance in relation to pupil outcomes, the quality of teaching and its leadership and management
- hold direct discussions with Headteachers and make recommendations to the schools and the Board

Due to the COVID-19 pandemic, the Committee did not meet. Instead, the Board received reports from each Headteacher and the externally-commissioned School Performance Partner.

The **CEO Appraisal Committee** is a Committee of the main Board of Trustees. Its purpose is to:

- review the performance of the CEO supported by an External Adviser

The attendance for the Committee meetings was as follows:

Pay Committee	Role	24 Nov 2020
David Hawker	Trustee	In attendance
Mary Higgins	Member/Trustee - Chair	In attendance

The **Pay Committee** is a Committee of the main Board of Trustees. Its purpose is to:

- receive reports from the CEO with regard to staff appraisal and recommendations for pay awards

During the year the attendance for the Committee meetings was as follows

Pay Committee	Role	24 Nov 2020	29 July 21
David Hawker	Trustee	In attendance	N/a
Mary Higgins	Member/Trustee - Chair	In attendance	In attendance
Julian Miller	Trustee	N/a	In attendance

The **Curriculum and Resources Committee** is a Committee of the Board of Trustees. Its purpose is to:

- receive reports from the Scrutiny Committee and Greet's Local Advisory Board
- monitor the academic and pastoral provision and performance of the schools, taking account of internal system data and external review
- take an overview of HR matters

During the year the attendance for the Curriculum and Resources Committee meetings was as follows:

Name	Role	14 Oct 2020	9 Dec 2020	10 Feb 2021	24 May 2021
David Hawker	Trustee	In attendance	In attendance	In attendance	In attendance
Mary Higgins	Member/Trustee	In attendance	In attendance	In attendance	In attendance
Jonathan Moore	Trustee	N/a	In attendance	Apologies	In attendance
Richard Selwyn	Trustee - Chair	In attendance	In attendance	In attendance	In attendance

Review of value for money

As Accounting Officer, the CEO 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:

Create Partnership Trust (A Company Limited by Guarantee)

Governance statement for the year ended 31 August 2021 (continued)

- Reviewing staffing requirements when opportunities have arisen through staff turnover or attrition. The Trust has not replaced staff with like for like roles but has sought to create roles which best suit the changing needs of the Trust. A number of support staff roles have not been replaced during the year and, increasingly there is consideration of whether and how administrative and financial roles should be carried out centrally or in schools.
- Non automatic renewal of Service Level Agreements and review to ensure they meet the needs of the Trust. Joint procurement at Trust level has allowed for cost saving efficiencies.
- Keeping under close monitoring and review the key contracts for asset management, catering, cleaning, HR legal advice and IT infrastructure. This monitoring has been undertaken by the COO working with the Strategic Operations Manager and has been supported by external specialist partners who report regularly. Feedback from the schools is also received and regular collective reviews undertaken. For 2021/22, the Trust aims to continue the monitoring of these contracts to ensure efficiency, quality and value for money.
- Ensuring robust performance management systems (not withstanding the challenges of COVID-19 and, in many cases, a lack of performance data – for which staff cannot be held responsible)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's 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 Create Partnership Trust for the period to 31 August 2021 and up to the date of approval of the Trust Annual Report and Financial Statements, with additional changes made to be compliant with the updated Academy Trust Handbook.

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 on-going process for identifying, evaluating and managing the Trust's significant risks which has been in place for the year to 31 August 2021 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 S4S as internal auditors this year.

**Create Partnership Trust
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Governance statement for the year ended 31 August 2021 (continued)

Their role includes performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- Cash handling,
- Commercial card use,
- Accounts payable,
- Proper authorisations,
- Completion of monthly reconciliations.

On a termly or quarterly basis, the Trust Accountant and the COO report to the Board of Trustees, through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Internal controls, reports to Trustees and feedback from external auditors all demonstrate the Trust's increasing financial stability. This is the direct result of good internal management and the impact of cost savings (e.g. through staffing restructures) during the previous year

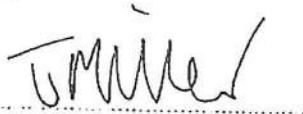
Review of Effectiveness

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

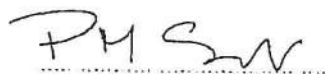
- the work of the external auditor
- the work of the internal auditor
- Discussions by and recommendations from Trustees at the Finance and Audit Committee and the Board
- the work of the Create Executive team within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer is advised of the implications of the result of their review of the system of internal control by the external auditor and plans to address any weaknesses and ensure continuous improvement of the system are put in place.

Approved by order of the members of the Board of Trustees on 15 December 2021 and signed on its behalf by:



Julian Miller
Chair of Trustees



Patricia Smart
Accounting Officer

Create Partnership Trust
(A Company Limited by Guarantee)

Statement of regularity, propriety and compliance
for the period ended 31 August 2021

As accounting officer of Create Partnership Trust I have considered my responsibility to notify the multi academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the multi academy trust, under the funding agreement in place between the multi academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the multi academy trust board of trustees are able to identify any material irregular or improper use of funds by the multi academy trust, or material non-compliance with the terms and conditions of funding under the multi academy trust's funding agreement and the Academies Financial Handbook 2020.

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.



..... Patricia Smart – Accounting Officer

15 December 2021

Create Partnership Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
for the period ended 31 August 2021

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

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

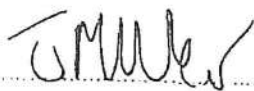
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 15 December 2021 and signed on its behalf by:



..... Julian Miller – Chair of Trustees

**Create Partnership Trust
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of
Create Partnership Trust**

Opinion

We have audited the financial statements of Create Partnership Trust for the year to 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements :

- give a true and fair view of the state of the multi academy trust's affairs as at 31 August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the multi academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the multi academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Create Partnership Trust
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**Independent Auditor's Report on the Financial Statements to the Members of Create Partnership Trust
(continued)**

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 matter prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Multi Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Create Partnership Trust (A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Create Partnership Trust (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 22), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the multi academy trust's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the multi academy trust's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

**Create Partnership Trust
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of Create Partnership Trust
(continued)**

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

15 December 2021

**Create Partnership Trust
(A Company Limited by Guarantee)**

Independent Reporting Accountant's Assurance Report on Regularity to Create Partnership Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 30 March 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Create Partnership Trust during the year 1 September 2020 to 31 August 2021 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 Create Partnership Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Create Partnership 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 Create Partnership Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Create Partnership Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Create Partnership Trust's funding agreement with the Secretary of State for Education dated 30 August 2016 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 2020 to 2021 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 Multi Academy Trust's income and expenditure.

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the multi academy trust's funding agreement
- Review and evaluation of the Multi Academy Trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Create Partnership Trust
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to Create Partnership Trust
and the Education and Skills Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David W Farnsworth FCA (Reporting Accountant)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

15 December 2021

Create Partnership Trust
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2021
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2020/21 £	Total 2019/20 £
Income from :							
Donations and capital grants	2	-	-	-	346,899	346,899	44,264
Charitable activities :	3						
Funding for the academy trust's educational operations		170,699	-	13,157,676	-	13,328,375	13,288,770
Teaching schools	25	39,133	-	67,000	-	106,133	120,579
Other trading activities	4	2,252	-	-	-	2,252	7,452
Investments	5	118	-	-	-	118	651
Total		212,202	-	13,224,676	346,899	13,783,777	13,461,716
Expenditure on :							
Charitable activities:							
Academy trust educational operations	6	187,373	501,000	12,173,955	715,482	13,577,810	13,033,103
Teaching schools	25	24,829	-	67,000	-	91,829	124,812
Total		212,202	501,000	12,240,955	715,482	13,669,639	13,157,915
Net income/(expenditure) before transfers		-	(501,000)	983,721	(368,583)	114,138	303,801
Transfers between funds	15	-	-	(140,183)	140,183	-	-
Net income/(expenditure) after transfers		-	(501,000)	843,538	(228,400)	114,138	303,801
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	15, 23	-	(1,341,000)	-	-	(1,341,000)	92,000
Net movement in funds		-	(1,842,000)	843,538	(228,400)	(1,226,862)	395,801
Reconciliation of funds							
Total funds brought forward	16	-	(9,485,000)	58,179	25,970,187	16,543,366	16,147,565
Total funds carried forward		-	(11,327,000)	901,717	25,741,787	15,316,504	16,543,366

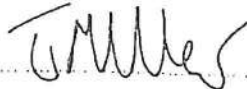
All of the Academy's activities derive from continuing operations during the above two financial periods.

Create Partnership Trust
(A Company Limited by Guarantee)

Company number : 10318212
Balance sheet as at 31 August 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		25,741,533		25,970,187
Current assets					
Debtors	13	630,532		423,930	
Cash at bank and in hand		<u>2,058,849</u>		<u>1,131,522</u>	
		2,689,381		1,555,452	
Liabilities					
Creditors amounts falling due within one year	14	<u>1,787,410</u>		<u>1,497,273</u>	
Net current assets			901,971		58,179
Net assets excluding pension liability			<u>26,643,504</u>		<u>26,028,366</u>
Defined benefit pension scheme liability	23		(11,327,000)		(9,485,000)
Total net assets			<u>15,316,504</u>		<u>16,543,366</u>
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	15	25,741,787		25,970,187	
Restricted income fund	15	901,717		58,179	
Pension reserve	15	<u>(11,327,000)</u>		<u>(9,485,000)</u>	
Total restricted funds			15,316,504		16,543,366
Unrestricted income funds	15				
Total funds			<u>15,316,504</u>		<u>16,543,366</u>

The financial statements on pages 29 to 52 were approved by the trustees, and authorised for issue on 15 December 2021 and are signed on their behalf by



Mr Julian Miller - Chair of Trustees

**Create Partnership Trust
(A Company Limited by Guarantee)**

Statement of cash flows for the year ended 31 August 2021

	Notes	2020/21 £	2019/20 £
Cash flows from operating activities			
Net cash provided by operating activities	19	1,067,139	66,780
Cash flows from investing activities	20	(139,812)	(511,479)
		<u>927,327</u>	<u>(444,699)</u>
Cash and cash equivalents at 1 September 2020		1,131,522	1,576,221
Cash and cash equivalents at 31 August 2021	21	<u>2,058,849</u>	<u>1,131,522</u>

Create Partnership Trust (A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2021

1. Accounting policies

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

Basis of preparation

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

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

Income

All incoming resources are recognised when the multi academy 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 year 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.

Create Partnership Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2021 (continued)

1. Accounting policies (continued)

Income (continued)

- **Other income**
Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the multi academy trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Upon sale the fair value of the goods is charged against, and the proceeds are recognised as, 'Income from other trading activities'.
- **Donated fixed assets**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the multi academy trust's accounting policies.

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 multi academy 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 multi academy trust's educational operations, including support costs and costs relating to the governance of the multi academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

**Create Partnership Trust
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2021 (continued)

1. Accounting policies (continued)

Tangible fixed assets (continued)

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 over its expected useful life as follows:

Long leasehold buildings	- straight line over 50 years
Long leasehold improvements	- straight line between 5 to 30 years
Fixtures & fittings	- straight line between 3 to 10 years
Computer hardware	- 33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

Liabilities

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

Financial instruments

The academy trust only holds basic financial instruments as defined by FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows :

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

**Create Partnership Trust
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2021 (continued)

1. Accounting policies (continued)

Taxation

The multi academy 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 multi academy 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.

Pension benefits

Retirement benefits to employees of the multi academy 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 to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 multi academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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 year 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.

Create Partnership Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2021 (continued)

1. Accounting policies (continued)

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency or Department for Education.

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

Create Partnership Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2021 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	-	259,747	259,747	43,764
Donated fixed assets	-	-	87,152	87,152	-
Other donations	-	-	-	-	500
	-	-	346,899	346,899	44,264
2020 total	500	-	43,764	44,264	

3. Funding for the multi academy trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA grants					
General Annual Grant (GAG)	-	10,468,011	-	10,468,011	10,601,039
Other DfE Group grants					
UIFSM	-	318,820	-	318,820	332,843
Pupil premium	-	1,126,767	-	1,126,767	1,096,142
Teachers pension	-	320,763	-	320,763	332,843
Teachers pay	-	113,519	-	113,519	118,664
Sports premium	-	84,460	-	84,460	84,790
Others	-	-	-	-	25,332
Teaching School grants	-	67,000	-	67,000	85,500
	-	12,499,340	-	12,499,340	12,677,153
Other government grants					
Local authority grants	-	537,298	-	537,298	378,657
Other income from the academy trust's educational operations	209,832	-	-	209,832	353,539
Covid-19 additional funding (DfE/ESFA)					
Catch-up premium	-	181,120	-	181,120	-
Other DfE/ESFA Covid-19 funding	-	6,918	-	6,918	-
	209,832	725,336	-	935,168	732,196
	209,832	13,224,676	-	13,434,508	13,409,349
2020 total	353,539	13,055,810	-	13,409,349	

The academy received £181,120 of funding for catch-up premium and costs incurred in respect of this funding totalled £181,120.

Create Partnership Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2021 (continued)

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	2,252	-	2,252	7,452
	<u>2,252</u>	<u>-</u>	<u>2,252</u>	<u>7,452</u>
2020 total	<u>7,452</u>		<u>7,452</u>	

5. Investment income

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	118	-	118	651
	<u>118</u>	<u>-</u>	<u>118</u>	<u>651</u>
2020 total	<u>651</u>	<u>-</u>	<u>651</u>	

6. Expenditure

	Staff costs £	Non pay expenditure		2020/21 Total £	2019/20 Total £
		Premises £	Other £		
Academy's educational operations					
Direct costs	8,543,513	554,434	708,268	9,806,215	9,453,754
Allocated support costs	1,807,466	952,088	1,012,041	3,771,595	3,579,349
Teaching school	49,536	-	42,293	91,829	124,812
	<u>10,400,515</u>	<u>1,506,522</u>	<u>1,762,602</u>	<u>13,669,639</u>	<u>13,157,915</u>
2020 total	<u>9,872,453</u>	<u>1,443,162</u>	<u>1,842,300</u>	<u>13,157,915</u>	

Net income for the period includes :

		2020/21 £	2019/20 £
Operating leases	- plant and machinery	96,941	24,588
	- other	23,483	22,000
Depreciation		715,483	668,574
Fees payable to auditor	- audit	17,500	17,000
	- other services	3,150	6,000
		<u>856,597</u>	<u>738,162</u>

Create Partnership Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2021 (continued)

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2020/21 Total £	2019/20 Total £
Educational operations					
Direct costs	47,568	-	9,850,476	9,898,044	9,578,566
Support costs	164,634	501,000	3,105,961	3,771,595	3,579,349
	<u>212,202</u>	<u>501,000</u>	<u>12,956,437</u>	<u>13,669,639</u>	<u>13,157,915</u>
2020 total	<u>362,142</u>	<u>(126,000)</u>	<u>12,921,773</u>	<u>13,157,915</u>	
Analysis of support costs					
Support staff costs	-	501,000	1,306,466	1,807,466	1,356,993
Depreciation	-	-	161,048	161,048	371,690
Technology costs	-	-	33,248	33,248	34,297
Premises costs	-	-	932,849	932,849	841,508
Legal costs	-	-	1,201	1,201	7,769
Other support costs	164,634	-	650,499	815,133	944,092
Governance costs	-	-	20,650	20,650	23,000
Total support costs	<u>164,634</u>	<u>501,000</u>	<u>3,105,961</u>	<u>3,771,595</u>	<u>3,579,349</u>
2020 total	<u>283,072</u>	<u>(126,000)</u>	<u>3,422,277</u>	<u>3,579,349</u>	

8. Staff

a) Staff costs

Staff costs during the year were:	2020/21 £	2019/20 £
Wages and salaries	7,171,722	7,141,911
Social security costs	699,400	689,901
Pension costs	<u>2,004,466</u>	<u>1,540,625</u>
	9,875,588	9,372,437
Agency staff costs	494,258	445,951
Staff restructuring costs	<u>30,669</u>	<u>54,065</u>
	<u>10,400,515</u>	<u>9,872,453</u>
Staff restructuring costs comprise :		
Redundancy payments	30,669	11,677
Severance payments	-	<u>42,388</u>
	<u>30,669</u>	<u>54,065</u>

**Create Partnership Trust
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2021 (continued)

8. Staff (continued)

b) Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2020 : £42,388).

c) Staff numbers

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

	2020/21 Number	2019/20 Number
Teachers	119	126
Administration and support	142	155
Management	10	5
	271	286

d) Higher paid staff

	2020/21 Number	2019/20 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 on an annualised basis was :		
£60,001 - £70,000	6	5
£70,001 - £80,000	3	1
£80,001 - £90,000	1	2
£100,001 - £110,000	1	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	1	-

e) Key management personnel

The key management personnel of the multi academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the multi academy trust was £819,465 (2020 : £414,164).

**Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

9. Central services

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

Category	Basis
Brookfields Primary School	7% general annual grant
Conway Primary School	7% general annual grant
Greet Primary School	7% general annual grant
Hodge Hill Primary School	7% general annual grant
Teaching School Alliance	5% of budgeted income

The actual amounts charged during the year were as follows :

	2020/21	2019/20
	£	£
Brookfields Primary School	128,372	133,208
Conway Primary School	133,959	96,042
Greet Primary School	249,609	175,931
Hodge Hill Primary School	220,779	228,103
Greet Teaching School Alliance	4,750	4,750
	<u>737,469</u>	<u>638,034</u>

10. Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the multi academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows :

Patricia Smart (CEO and trustee)	
Remuneration	£130,000 - £135,000 (2020 : £125,000 - £130,000)
Employer's pension contributions paid	£30,000 - £35,000 (2020 : £30,000 - £35,000)

There were no travel and subsistence expenses reimbursed or paid directly to any trustee during the current or previous year.

Other related party transactions involving the trustees are set out in note 24.

11. Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the

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Notes to the financial statements for the year ended 31 August 2021 (continued)

12. Tangible fixed assets

	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer hardware £	Total £
Cost or valuation					
At 1 September 2020	27,610,138	-	444,290	302,580	28,357,008
Additions	71,295	254,900	61,027	99,607	486,829
At 31 August 2021	<u>27,681,433</u>	<u>254,900</u>	<u>505,317</u>	<u>402,187</u>	<u>28,843,837</u>
Depreciation					
At 1 September 2020	1,934,668	-	192,896	259,257	2,386,821
Charge for the year	563,075	-	95,803	56,605	715,483
At 31 August 2021	<u>2,497,743</u>	<u>-</u>	<u>288,699</u>	<u>315,862</u>	<u>3,102,304</u>
Net book values					
At 31 August 2021	<u>25,183,690</u>	<u>254,900</u>	<u>216,618</u>	<u>86,325</u>	<u>25,741,533</u>
At 31 August 2020	<u>25,675,470</u>	<u>-</u>	<u>251,394</u>	<u>43,323</u>	<u>25,970,187</u>

Leasehold property's were valued on 1/9/16, 1/1/17 and 1/11/18 by The Valuation Office Agency – DVS and the furniture and equipment and computer hardware were valued as at the same date by the trustees. The basis on which the valuations were made was depreciated replacement cost.

Cost or valuation at 31 August 2021 is represented by :

	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer hardware £	Total £
Valuation in 2016	14,024,043	-	49,820	97,609	14,171,472
Valuation in 2017	8,689,639	-	23,504	44,454	8,757,597
Valuation in 2019	4,175,000	-	30,455	34,821	4,240,276
Cost	792,751	254,900	401,538	225,303	1,674,492
	<u>27,681,433</u>	<u>254,900</u>	<u>505,317</u>	<u>402,187</u>	<u>28,843,837</u>

13. Debtors

	2021 £	2020 £
Debtors from operations	23,085	14,295
VAT recoverable	38,904	46,483
Prepayments and accrued income	566,803	361,411
Other debtors	1,740	1,741
	<u>630,532</u>	<u>423,930</u>

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Notes to the financial statements for the year ended 31 August 2021 (continued)

14. Creditors

	2021 £	2020 £
Amounts falling due within one year :		
Creditors from operations	133,553	273,716
Accruals and deferred income	728,778	394,677
Other creditors	925,079	828,880
	<u>1,787,410</u>	<u>1,497,273</u>
Deferred income		
Deferred income at 1 September 2020	170,783	187,963
Resources deferred in the year	127,872	170,783
Amounts released from previous years	<u>(170,783)</u>	<u>(187,963)</u>
Deferred income at 31 August 2021	<u>127,872</u>	<u>170,783</u>

At the balance sheet date the multi academy trust was holding funds received in advance for universal infant free school meals.

15. Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	58,179	10,468,011	(9,484,290)	(140,183)	901,717
UIFSM	-	318,820	(318,820)	-	-
Pupil premium	-	1,126,767	(1,126,767)	-	-
Catch-up premium	-	181,120	(181,120)	-	-
Other DfE/ESFA Covid-19 funding	-	6,918	(6,918)	-	-
Teaching school	-	67,000	(67,000)	-	-
Other grants	-	1,056,040	(1,056,040)	-	-
	<u>58,179</u>	<u>13,224,676</u>	<u>(12,240,955)</u>	<u>(140,183)</u>	<u>901,717</u>
Restricted fixed asset funds					
Transfer on conversion	25,001,816	-	(559,533)	-	24,442,283
DfE Group capital grants	437,957	259,747	(72,795)	-	624,909
Capital expenditure from GAG	476,275	-	(69,451)	140,183	547,007
Local authority contribution	54,139	-	(4,086)	-	50,053
Donations	-	87,152	(9,617)	-	77,535
	<u>25,970,187</u>	<u>346,899</u>	<u>(715,482)</u>	<u>140,183</u>	<u>25,741,787</u>
Pension reserve	<u>(9,485,000)</u>	<u>-</u>	<u>(501,000)</u>	<u>(1,341,000)</u>	<u>(11,327,000)</u>
Total restricted funds	<u>16,543,366</u>	<u>13,571,575</u>	<u>(13,457,437)</u>	<u>(1,341,000)</u>	<u>15,316,504</u>
Unrestricted funds					
Teaching school	-	39,133	(24,829)	(14,304)	-
Other income	-	173,069	(187,373)	14,304	-
Total unrestricted funds	<u>-</u>	<u>212,202</u>	<u>(212,202)</u>	<u>-</u>	<u>-</u>
Total funds	<u>16,543,366</u>	<u>13,783,777</u>	<u>(13,669,639)</u>	<u>(1,341,000)</u>	<u>15,316,504</u>

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Notes to the financial statements for the year ended 31 August 2021 (continued)

15. Funds (continued)

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the multi academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by the ESFA and Birmingham City Council where the asset acquired or created is held for a specific purpose.

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	(273,468)	10,601,039	(9,798,427)	(470,965)	58,179
UIFSM	-	335,175	(335,175)	-	-
Pupil premium	-	1,096,142	(1,096,142)	-	-
Teaching school	-	85,500	(85,500)	-	-
Other grants	-	937,954	(937,954)	-	-
	<u>(273,468)</u>	<u>13,055,810</u>	<u>(12,253,198)</u>	<u>(470,965)</u>	<u>58,179</u>
Restricted fixed asset funds					
Transfer on conversion	25,568,901	-	(567,085)	-	25,001,816
DfE Group capital grants	443,829	43,764	(49,636)	-	437,957
Capital expenditure from GAG	53,767	-	(48,457)	470,965	476,275
Local authority contribution	57,536	-	(3,397)	-	54,139
	<u>26,124,033</u>	<u>43,764</u>	<u>(668,575)</u>	<u>470,965</u>	<u>25,970,187</u>
Pension reserve	<u>(9,703,000)</u>	<u>-</u>	<u>126,000</u>	<u>92,000</u>	<u>(9,485,000)</u>
Total restricted funds	<u>16,147,565</u>	<u>13,099,574</u>	<u>(12,795,773)</u>	<u>92,000</u>	<u>16,543,366</u>
Unrestricted funds					
Teaching school	-	35,079	(39,312)	4,233	-
Other income	-	327,063	(322,830)	(4,233)	-
Total unrestricted funds	<u>-</u>	<u>362,142</u>	<u>(362,142)</u>	<u>-</u>	<u>-</u>
Total funds	<u>16,147,565</u>	<u>13,461,716</u>	<u>(13,157,915)</u>	<u>92,000</u>	<u>16,543,366</u>

Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

15. Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows :

	2020/21	2019/20
	Total	Total
	£	£
Brookfields Primary School	348,917	251,507
Conway Primary School	36,339	(253,332)
Greet Primary School	260,272	(54,695)
Hodge Hill Primary School	133,090	(21,572)
Greet Teaching School Alliance	-	410,074
Trust	123,099	(273,803)
Total before fixed assets and pension reserve	901,717	58,179
Restricted fixed asset fund	25,741,787	25,970,187
Pension reserve	(11,327,000)	(9,485,000)
Total funds	15,316,504	16,543,366

Total cost analysis by academy

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

	Teaching & educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	2020/21 Total
	£	£	£	£	£
Brookfields Primary School	1,425,467	203,518	38,206	404,845	2,072,036
Conway Primary School	1,440,028	290,716	35,409	318,120	2,084,273
Greet Primary School	2,960,076	569,998	89,560	769,506	4,389,140
Hodge Hill Primary School	2,426,230	362,790	44,354	652,379	3,485,753
Greet Teaching School Alliance	49,536	45,656	-	37,542	132,734
Central Services	291,712	334,788	49	163,671	790,220
Academy trust	8,593,049	1,807,466	207,578	2,346,063	12,954,156
2020 total	8,515,460	1,356,993	157,827	2,459,061	12,489,341

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Notes to the financial statements for the year ended 31 August 2021 (continued)

16. Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	25,741,533	25,741,533
Current assets	-	-	2,689,127	254	2,689,381
Current liabilities	-	-	(1,787,410)	-	(1,787,410)
	-	-	901,717	25,741,787	26,643,504
Creditors due after one year	-	-	-	-	-
Pension scheme liability	-	(11,327,000)	-	-	(11,327,000)
Total net assets	-	(11,327,000)	901,717	25,741,787	15,316,504

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

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	25,970,187	25,970,187
Current assets	-	-	1,555,452	-	1,555,452
Current liabilities	-	-	(1,497,273)	-	(1,497,273)
	-	-	58,179	25,970,187	26,028,366
Pension scheme liability	-	(9,485,000)	-	-	(9,485,000)
Total net assets	-	(9,485,000)	58,179	25,970,187	16,543,366

17. Capital commitments

	2021 £	2020 £
Contracted for but not provided in the financial statements	523,000	712,000

18. Commitments under operating leases

At 31 August 2021 the total of the multi academy trust's future minimum lease payments under non-cancellable operating leases was:

	Land and buildings		Other	
	Total 2021 £	Total 2020 £	Total 2021 £	Total 2020 £
Amounts due within one year	29,334	22,000	96,690	-
Amounts due between one and five years	-	5,500	96,690	-
	29,334	27,500	193,380	-

Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

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

	2020/21	2019/20
	Total	Total
	£	£
Net income/(expenditure) for reporting year (as per the SoFA)	114,138	303,801
Adjusted for :		
Depreciation (note 12)	715,483	668,574
Capital grants from DfE and other capital income	(259,747)	(43,764)
Donated fixed assets	(87,152)	-
Interest receivable (note 5)	(118)	(651)
Defined benefit pension scheme cost less contributions payable (note 23)	352,000	(299,000)
Defined benefit pension scheme finance cost/(income) (note 23)	149,000	173,000
(Increase) / decrease in debtors	(206,602)	275,989
Increase / (decrease) in creditors	290,137	(1,011,169)
Net cash provided by operating activities	<u>1,067,139</u>	<u>66,780</u>

20. Cash flows from investing activities

	2020/21	2019/20
	Total	Total
	£	£
Interest received	118	651
Purchase of tangible fixed assets	(399,677)	(555,894)
Capital grants from DfE Group	259,747	43,764
Net cash used in investing activities	<u>(139,812)</u>	<u>(511,479)</u>

21. Analysis of cash and cash equivalents

	At	At
	31 August	31 August
	2021	2020
	£	£
Cash at bank and in hand	2,058,849	1,131,522
	<u>2,058,849</u>	<u>1,131,522</u>

22. 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.

**Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

23. Pension and similar obligations

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

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

Contributions amounting to £nil (2020 : £29,146) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

**Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

23. Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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

The employer's pension costs paid to TPS in the year amounted to £975,331 (2020 : £1,004,748).

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 academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £827,000 (2020 : £1,295,000), of which employer's contributions totalled £686,000 (2020 : £1,190,000) and employees' contributions totalled £141,000 (2020 : £105,000). The agreed contribution rates for future years are 20.3% for employers and between 5.5% and 8.5% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 30 years.

Principal actuarial assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.90%	3.25%
Rate of increase for pensions in payment / inflation	2.90%	2.25%
Discount rate for scheme liabilities	1.70%	1.65%
Inflation assumption (CPI)	2.90%	2.25%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis

	As disclosed	Discount rate	CPI rate	In life expectancy
	£'000s	+ 0.1% pa £'000s	+ 0.1% pa £'000s	+ 1 year £'000s
Present value of total obligation	19,692	19,149	20,155	20,532
Projected service cost	1,231	1,189	1,274	1,288
	£'000s	- 0.1% pa £'000s	- 0.1% pa £'000s	- 1 year £'000s
Present value of total obligation	19,692	20,251	19,242	18,886
Projected service cost	1,231	1,275	1,190	1,176

**Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

23. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	At 31 August 2021	At 31 August 2020
Retiring today		
Males	21.6	21.9
Females	24.1	24.1
Retiring in 20 years		
Males	23.8	23.8
Females	25.8	26.0

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

	31 August 2021	31 August 2020
	£	£
Equities	5,097,000	3,615,000
Government bonds	690,000	698,000
Other bonds	512,000	250,000
Property	587,000	486,000
Cash/liquidity	308,000	427,000
Other	1,171,000	961,000
Total market value of assets	<u>8,365,000</u>	<u>6,437,000</u>

The actual return on scheme assets was £1,199,000 (2020 : £472,000).

	2020/21	2019/20
	£	£
Amount recognised in the statement of financial activities		
Current service cost	1,038,000	888,000
Net interest cost	149,000	173,000
Administration expenses	-	3,000
Total amount recognised in the SOFA	<u>1,187,000</u>	<u>1,064,000</u>

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

	2020/21	2019/20
	£	£
At 1 September 2020	15,922,000	14,148,000
Current service cost	1,029,000	805,000
Interest cost	261,000	267,000
Employee contributions	141,000	105,000
Changes in financial assumptions	2,888,000	1,006,000
Changes in demographic assumptions	(233,000)	376,000
Experience gains/losses on defined benefit obligation	(227,000)	(572,000)
Benefits paid	(98,000)	(296,000)
Past service cost	9,000	83,000
At 31 August 2021	<u>19,692,000</u>	<u>15,922,000</u>

**Create Partnership Trust
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Notes to the financial statements for the year ended 31 August 2021 (continued)

23. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2020/21 £	2019/20 £
At 1 September 2020	6,437,000	4,445,000
Interest income	112,000	94,000
Actuarial gain/(loss)	-	524,000
Employer contributions	686,000	1,190,000
Employee contributions	141,000	105,000
Benefits paid net of transfers in	(98,000)	(296,000)
Administration costs	-	(3,000)
Return on assets less interest	1,087,000	378,000
At 31 August 2021	<u>8,365,000</u>	<u>6,437,000</u>
Net pension scheme liability	<u>(11,327,000)</u>	<u>(9,485,000)</u>

24. 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 the trustees have an interest.

The following related party transaction(s) took place during the year:

Birmingham Education Partnership Limited

Company in which Patricia Smart, CEO, is a director

	2021 £	2020 £
<u>Expenditure related party transaction</u>		
Services provided to the trust during the period	<u>4,390</u>	<u>4,995</u>
<u>Income related party transaction</u>		
Services provided by the trust during the period	<u>-</u>	<u>1,555</u>

The trust conducted these transaction at arms' length.

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Notes to the financial statements for the year ended 31 August 2021 (continued)

25. Teaching school trading account

	2020/21 £	2019/20 £
Income		
Direct income		
School direct salaried	27,000	45,000
Collaborative Fund NCTL and Core Grant	40,000	40,500
NQT induction	39,133	27,388
Other income	-	7,691
Total income	<u>106,133</u>	<u>120,579</u>
Expenditure		
Direct costs		
Direct staff costs	56,736	22,923
Educational supplies	19,100	9,903
Other direct costs	<u>7,430</u>	<u>25,099</u>
	83,266	57,925
Other costs		
Support staff costs	-	54,576
Professional	206	298
Other support costs	<u>8,357</u>	<u>12,013</u>
	8,563	66,887
Total expenditure	<u>91,829</u>	<u>124,812</u>
Transfers between funds excluding depreciation	(14,304)	4,233
Surplus/(deficit) from all sources	-	-
Teaching school balances at 1 September 2020	-	-
Teaching school balances at 31 August 2021	<u>-</u>	<u>-</u>