



**The Mast Academy Trust
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
For the period ending 31 August 2020**

**Company Registration Number:
10357163 (England and Wales)**

The Mast Academy Trust

The Mast Academy Trust Contents

Item	Page
Reference and Administrative Details	3
Trustees' Report	4
Governance Statement	14
Statement on Regularity, Propriety and Compliance	18
Statement of Trustees' Responsibilities	19
Independent Auditor's Report on the Financial Statements	20
Independent Reporting Accountant's Report on Regularity	23
Statement of Financial Activities incorporating Income & Expenditure Account	25
Balance Sheet	26
Statement of Cash Flows	27
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	28
Other Notes to the Financial Statements	35

The Mast Academy Trust

Reference and Administrative Details

Members	Chris Pickavance Sue Lord Carole McDermott (resigned 5th August 2019) Peter Laurence Rosamond Roughton, appointed 16th Dec 2020 Martyn Jones
Trustees	Martyn Jones Andrew Williams Anthony Wilkinson Helen Jones (resigned 21st September 2020) Elizabeth Anne Godman Baljit Kaur Barring (resigned 4th October 2019) Andrea Mills (resigned 12th February 2020) James Timothy Wade David Philip Oldfield Gail Howe, 7th September 2020 Dorcas Atkinson, 14th September 2020 David Webster, 14th September 2020 Richard Sowerby, 14th September 2020 Nichola Thorpe, 9th December 2020 Phillip Marshall, appointed 9th December 2020
Company Secretary	Schofield Sweeney Church Bank House Church Bank Bradford BD1 4DY
Senior Management Team	
Chief Executive Officer	Natasha Greenough
Chief Financial Officer	Jason Field
Headteacher Birdsedge	Debra Knowles
Headteacher Kirkburton	Gary Johnson (resigned 31st December 2019)
Headteacher Kirkburton	Chris Taylor (appointed 1st January 2020)
Headteacher Scissett	Natasha Greenough
Headteacher Shelley	Debra Knowles
Company Name	The Mast Academy Trust
Company Address	Scissett Middle School Wakefield Road Scissett West Yorkshire HD8 9JX
Company number	10357163 (England and Wales)
Independent Auditor	Mazars LLP 5th Floor 3 Wellington Place Leeds LS1 4AP
Bankers	Lloyds Bank Huddersfield Branch PO Box 1000 BX1 1LT
Solicitors	Schofield Sweeney Church Bank House Church Bank Bradford BD1 4DY

The Mast Academy Trust

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Mast Academy Trust operates 4 academies in the West Yorkshire area. Its academies have a combined pupil capacity of 1,362 and had a roll of 1,381 in the school census on 3rd October 2019.

Structure, Governance and Management

Constitution

The academy 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 academy trust. The Trustees of the Mast Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Mast Academy 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 3.

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.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed from a wide range of backgrounds and skills to fulfil the requirements of the competency framework for governance and also the requirement of the articles of association. The Mast Academy Trust works in its local community and with organisations such as Academy Ambassadors to try and find new Trustees that have skills and knowledge to strengthen the Trust.

Appointments are proposed and approved by the Board of Trustees of the Mast Academy.

Policies and Procedures Adopted for the Induction and Training of Trustees

All the Trustees of the Mast Academy Trust are welcomed into the Trust by the chair of the Board of Trustees. Trustees are provided with an appointment letter detailing their responsibilities, alongside a welcome pack that provides them with a thorough induction process. An assessment is made of the skills and knowledge that they have and where additional support would be beneficial in order to enhance their understanding of the Trust, the governance competency framework and of the Trust ethos and vision; the assessment also identifies training opportunities that the Trust provides on a termly basis, topics include those that are relevant to their role as governors in the academy sector, e.g. The governance role in safeguarding, the curriculum and managing business virtually.

Formal checks are also conducted for all trustees to ensure that they are suitable to hold the post as directed by the legislation relevant to the Trust, and the Academies Financial Handbook.

The executives of the Trust meet with Trustees to discuss matters relevant to the governance of the Trust and ensure that we have Trustees who are designated to lead on key strategic areas. This is done through updates at Board meetings, other meetings arranged outside of the Board, personal contact and correspondence relevant to trustee needs.

As the Trust develops further work is planned in this area to ensure the effectiveness of the Trustees. The Chair of the Board of Trustees has undertaken a review of the effectiveness of governance of the Trust with the accounting officer and other key stakeholders to help shape a more robust and effective governance model for the Mast Academy Trust. This is crucial work to make sure that the Trust

The Mast Academy Trust

Trustees' Report (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees (continued)

embeds the most effective governance model to ensure that all the core functions of the Trust are well governed and serve the children of the Trust in the best way possible.

Organisational Structure

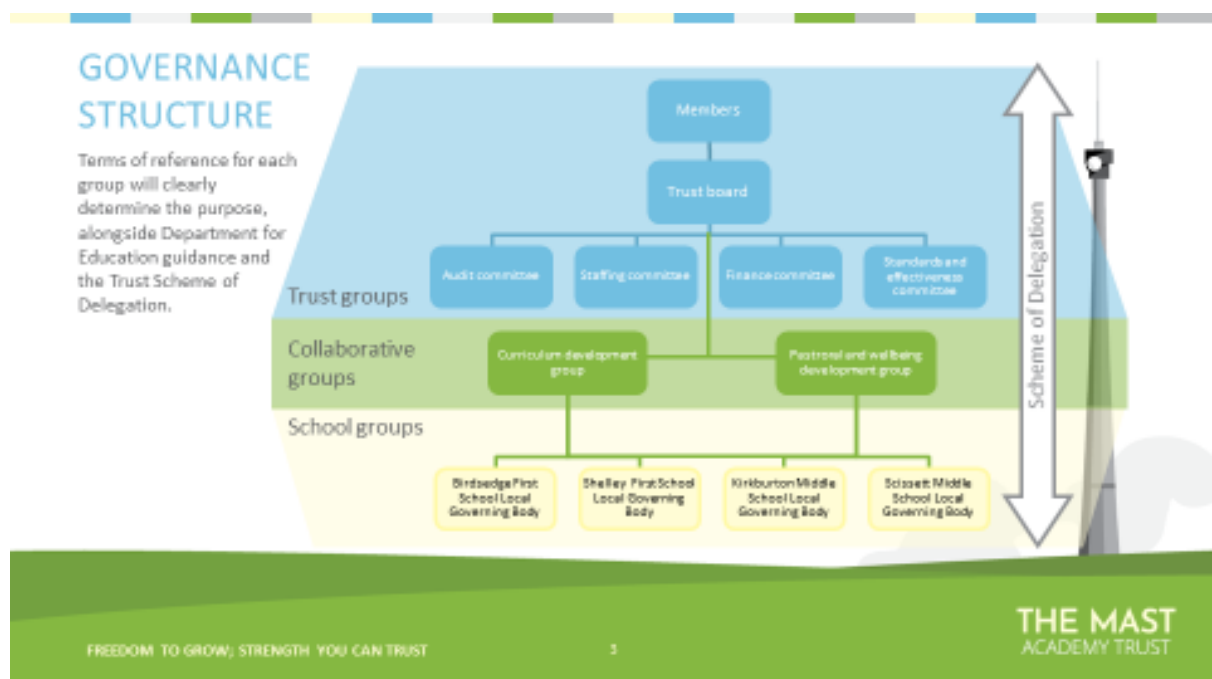
The Mast Academy Trust is governed in accordance with its articles of association and its funding agreement which is supported by a scheme of delegation which distributes delegated powers to different levels of the organisation. This scheme of delegation has undergone a thorough review in 2019/20 to ensure that the role of the Trust, the central team and local governing bodies is clear to all stakeholders in the Trust.

The Board of Trustees is responsible for determining the vision, ethos and strategy of the organisation, with subcommittees being delegated powers for updating particular policy areas, allowing greater scrutiny of specialised decision-making areas. A thorough review and renewal of vision and values took place this year. Work on strengthening the sub committees, has also been a key priority in 2019/20 and all committees have a number of expert members. New terms of reference for these committees have also been implemented. All stakeholders understand their role in decision making or advocacy of the Trust or one of its individual academies.

This clarity has allowed the Trust to strengthen the control of the delivery of its statutory responsibilities and ensure that school standards are high everywhere in the Trust and that local governing bodies are able to focus unremittingly on support for their local school and its community to promote an excellent education for every child.

If any school is in need of additional support to help it achieve the standards required by the Trust or its regulator, powers are available for the Trust to support each school more directly and assume greater control of operational decision making. In 2019/20 we have strengthened the central resources available to the Trust so that we can implement rapid improvements where they are necessary. Charges to schools have been adjusted according to their need, with a basic collaborative charge amounting to 5% of general annual grant income and schools contributing additional amounts according to any identified need.

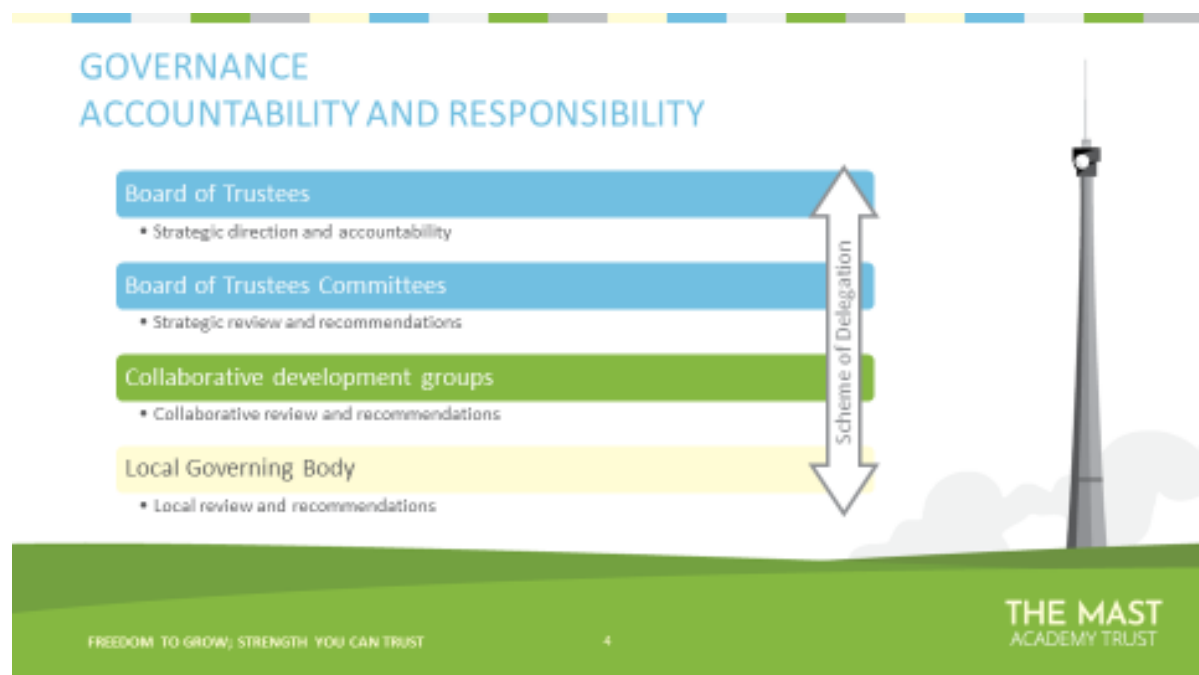
The committee structure that supports organisational decision making is depicted below in summary:



The Mast Academy Trust

Trustees' Report (continued)

Organisational Structure (continued)



The organisational structure is kept under review by the Board of Trustees in liaison with the key stakeholders involved in this structure.

Arrangements for setting pay and remuneration of key management personnel

The remuneration of Key Management Personnel is set by the Board of Trustees according to the performance against objectives. This assessment is reviewed by the Trustees with responsibility for staffing matters to ensure that fairness and transparency has been achieved.

The Board of Trustees sets direction for the key management personnel in order to ensure that the vision and ethos of the Trust are clear and that the strategy of the Trust is carried out.

Our recent review of Governance has ensured an increasingly strong link between performance of key management personnel and pay to ensure that this is driving the Trust forward towards its key objectives.

The Mast Academy Trust

Trustees' Report (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Cost of facility time	0
Total pay bill	£5.915m
Percentage of total pay bill on facility time	0%

Paid Trade Union activities

NA	NA
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Related Parties and other Connected Charities and Organisations

The Mast Academy Trust does not have any related parties or connected charities that are linked to the organisation.

Objectives and Activities

Objects and Aims

The Object of the Trust is defined in our Articles of Association as 'to advance public benefit education' and this is a core part of the way we work.

The Mast Academy Trust consulted widely in 2019/20 in order to refresh and revitalise its vision and values, ensuring clarity of purpose for our organisation.

Our vision for our pupils, staff and schools at The Mast Academy Trust is not defined by a statement but a set of key principles; principles that when united reveal our overarching vision. As individual schools and a Trust:

- We celebrate **individuality**
- We **collaborate** for the good of our children and staff
- We **inspire** our children, and our employees to **achieve** their ambitions
- We all **learn** from our experiences
- We ensure a **safe** and **caring** environment for everyone

The Mast Academy Trust

Trustees' Report (continued)

Objects and Aims (continued)

We commit to:

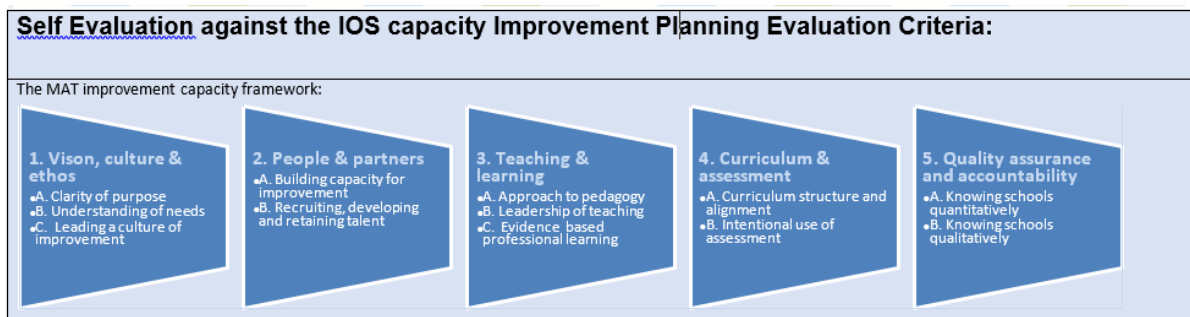
- Put the **children** at the heart
- Value all our **people** and respect their well-being
- Serve the **community** around us
- **Respect** different opinions and then unite together
- Be willing to **challenge** and accept challenge
- **Support** all areas within the MAST Academy Trust
- Adhere to the Nolan Principles

This vision and values underpin the significant changes that have been made in 2019/20 and has meant that we are much better placed to effectively deploy our objectives and aims.

Objectives, Strategies and Activities

In spite of the effects of the global pandemic, The Mast Academy Trust has successfully implemented a new governance structure to support its objectives, strategies and activities. New trustees and governors are in place, alongside a further strengthened central team, and new members of the leadership teams at our schools. These details are captured in a Trust Improvement Plan that ensures key actions are tracked regularly and reported to the Board of Trustees and to its sub-committees and local governing bodies through regular updates in structured reporting.

These activities fall into one of the categories defined below:



They are tracked in 3 phases:

- Stabilise in year one
- Sustain in year two
- Grow in year three

Good progress has been made against the overarching strategies, alongside managing the impacts of the Covid-19 pandemic. These are reviewed by leaders throughout the organisation on a regular basis and some of the details are reported below.

Public Benefit

Public benefit is the primary function of our Trust, providing benefit to our community by offering all children we serve, the best education they can possibly have.

We also strive to support our local community with employment and offer support to parents with relation to improving the life chances of their children.

We are proud of this purpose and it is central to our objects and the reality of our activities.

The Mast Academy Trust

Trustees' Report (continued)

Strategic Report

Achievements and Performance

During the Covid-19 pandemic and subsequent national lockdown national assessments did not take place. However, the Trust utilised its own assessment measures to ascertain progress and attainment following lockdown. This data indicated that the longer pupils have been within our Trust schools, the higher the outcomes. We were also able to utilise Early Indications data take in January 2020 to assess predicted performance.

Key Performance Indicators

We do not have any nationally assessed performance data due to Government cancellations of SATs. However, we are able to evidence the continued strong performance via the early indications data taken in January 2020. This indicator shows the percentage of children who were already on track to succeed against the national benchmarks. It should be noted that this is only after 4 months of education and allows schools to identify pupils who require additional 'catch up' support to meet the expected standards.

EYFS Outcomes

EYFS	ELG Reading		ELG Writing		ELG Maths		GLD
	EXP	EXC	EXP	EXC	EXP	EXC	
Shelley First School (35) 2019	86%	20%	83%	20%	86%	(23%)	80%
Shelley Early indicators 2020	72.2%	16.7%	72.2%	16.7%	75%	16.7%	69.4%
Birdsedge First School (6) 2019	83%	17%	83%	17%	83%	17%	83%
Birdsedge Early Indicators 2020 (9 children)	77%	44%	68%	34%	78%	44%	55% (67%)
NA%	77%	19%	73%	11%	78%	12%	72%

In EYFS, our school data shows that in the last nationally assessed year of 2019, our schools performed above the National Average in terms of the number of pupils meeting Age Related Expectations. The early indications data shows schools were close to this level and therefore following historical trends, would have been likely to exceed the performance of 2019.

Phonics outcomes

Phonics	Yr 1 %	Average Score	Yr 2 %
Shelley First School (34) 2019	83%	34%	5/6 -80%
Shelley Early Indicators 2020	85.7%		0 (4)
Birdsedge First School (7) 2019	71%	33.1%	0 (1)
Early Indicators 2020 (11)	91%		1 (2) 50% (1 x SEN)
NA %	83%	33%	

One of the key priorities for the Trust in 2019/20 was 'Developing a Reading Culture' in schools with a strong focus on early reading. The early impact of this work can be seen in the Early Indications data for 2020 which lifts outcomes above the national Average percentage for Phonics' outcomes.

The Mast Academy Trust

Trustees' Report (continued)

Key Performance Indicators (continued)

Key Stage 1 Outcomes

KS1 Number of pupils:	ARE Maths	GDS Maths	ARE Reading	GDS Reading	ARE Writing	GDS Writing
Shelley First School (35)	80%	26%	80%	31%	68%	17%
Early Indicators 2020	80%	20%	76.7%	20%	73.3%	20%
Birdsedge First School (6)	50%	0%	67%	31%	50%	0%
Early Indicators 2020 (7)	86%	14%	86%	43%	86%	43%
NA%	76%	22%	76%	22%	76%	22%

The early indications data evidences clear improvements at Birdsedge First School where targeted support from the Trust has yielded improvements. In both schools, performance in Maths and Reading was in line with NA in 2019 and set to improve in 2020. In Writing, performance in 2019 was slightly below NA, but was assessed to be broadly in line with NA for 2020 indicating improvement.

Key Stage 2 Outcomes

Key Stage 2:	Entry English	Entry Maths	Reading ARE	Reading GDS	Writing ARE	Writing GDS	Maths ARE	Maths GDS
National	100	100	73%	27%	78%	20%	79%	27%
SMS 2019	101.6 Average	97.3 Below Average	74.8%	30%	80.7%	18%	76%	25%
SMS Early Indicators 2020	101.6 Average	96 Below Average	66.15%	12.31%	69.23%	6.16%	38.15%	5.16%
KMS 2019	107.8 Above Average	103.8 Above Average	76%	18%	85%	12%	79%	25%
KMS Early Indicators 2020	102.8 Average	101.8 Average	69.4%	24.8%	66.9%	15.6%	48%	0%

It is important to recognise that pupils in the middle schools, sit SATs only 9 months after transition. Consequently, outcomes must be taken within this unique context. In order to benchmark progress across Year 6, the 'GL' column indicates entry levels. The outcomes in 2019 were broadly in line with National Average. The early indications data from January, provides a clear indication of where pupils were at that time after 4 months in their respective Middle School – not a prediction. When data is compared to a similar point from the previous year, it would indicate that pupils' outcomes would have been in line with 2019 despite a lower entry level. This would constitute an improvement in progress.

The Mast Academy Trust

Trustees' Report (continued)

Key Performance Indicators (continued)

Pastoral Outcomes:

	2019-2020 full year Attendance	2019-2020 full year %Persistently Absent
Overall Full Trust Average *	95.88%	8.59%
Disadvantaged Full Trust Average *	94.22%	14.6%
SEND EHCP Full Trust Average *	95.91%	13.86%

It is important to treat the full year data with caution, due to the pandemic, school closures and partial opening. However, it is clear that attendance remains strong in all our schools.

Exclusions Summary:

	Number of exclusions	Number of Days	Number of Repeat Offenders	Permanent Exclusions
Overall Trust Total	10	19	2	0

Exclusions across the Trust remain low and below National Average. This is indicative of high standards of pastoral care for the children across the Trust schools. Where exclusions are used, the number of repeat offenders is very low. This should also be seen within the context that there were no permanent exclusions in 2019-20.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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. With respect to Covid-19 sufficient cash reserves are available to continue operations into the future and public funding that we rely on has been protected.

Financial Review

This year has been impacted by the turbulence in the general environment as a result of Covid-19, meaning additional pressure on the budgets of schools. Despite this the Trust is in a healthy financial position and has funds that will help it to cover the additional costs that are materialising in 2020/21 as a result of the ongoing pandemic at the same time as being able to invest further in infrastructure.

Current levels of restricted general fund (excluding pension reserves) and unrestricted funds amount to £1,057k. £777k is attributable to the unrestricted fund and £280k to the restricted general fund. This compares with £1,018k last year. When adjusted for the teaching school this figure falls to £884k (2019: £855K). Funds previously held for capital projects (e.g. Devolved formula capital) have been used this year and this investment means that Restricted fixed asset funds available for expenditure on capital projects has fallen with only Birdseye retaining any funds for this other than outstanding funding available for condition improvement funded projects not completed at the end of 2019/20.

The Mast Academy Trust

Trustees' Report (continued)

Financial Review (continued)

Reserves Policy

The Trust maintains a Reserves policy that is reviewed by the Board of Trustees on a periodic basis to ensure it remains in line with the Trust objectives.

Reserves are above the expected level of 3-5% of total income for the Trust and there is some flexibility for strategic investment. This reserve will be used to ensure financial stability during the pandemic as well as continuing to develop a capital plan that will refresh assets relating to our buildings and IT infrastructure.

Cumulatively, reserve levels are now over 10% and consideration of how this reserve level will be used is underway. Some will undoubtedly be used to offset the considerable impacts that Covid-19 will have in terms of additional cleaning and staff costs in 2020/21, but even so there is flexibility for the Trust to consider infrastructure development that will help achieve its objectives, strategies and activities.

Investment Policy

The Mast Academy Trust takes a low risk approach to investments and is entirely utilising short term deposits with secure banking partners at this stage and for the foreseeable future. Our priorities remain to ensure that there is the lowest possible risk to circumstances affecting resources adversely.

The Trust maintains an investment policy that is reviewed by the Board of Trustees on a periodic basis to ensure it remains in line with the Trust objectives and risk profile.

Principal Risks and Uncertainties

There are a number of risks that The Mast Academy Trust faces as an academy trust. Some of these are inherent within our environment and others are particular to the current environment in which all organisations find themselves in 2019/20 and for the near future.

Covid-19 has meant a considerable short-term disruption to almost all aspects of the running of the organisation, impacting on all stakeholders. As the reports and accounts are submitted this remains the key uncertainty in our environment, although the prospect of a new vaccine for the disease being distributed in the community gives hope for the coming year.

Our new visions and values and governance structure has now been put into place and gives a strong platform for progress in the Trust. This is new and will be monitored closely by stakeholders that are new to the trust and those with more experience to ensure that the principles are embedded and the actions to sustain and grow the Trust are achieved in coming years.

The new Ofsted framework, which has clearly been delayed by Covid-19 in terms of implementation at our schools, is clearly an area that we must monitor closely. Given the future of the Trust is to be enabled by the improvement of Ofsted outcomes at Kirkburton Middle School in particular, this must be kept under review and any opportunity to welcome Ofsted to our organisation is anticipated with great excitement. Our monitoring of and preparation for the standards that must be achieved will remain a core focus of the schools and is driven by our desire to put children at the heart of what we do.

There also continues to be significant risk in the financial environment of the Trust and unpredictability in the future funding and costs of the organisation. The global pandemic continues to raise questions about immediate operating costs for the Trust as well as longer issues around the affordability of the funding of grants provided by the government. Despite this risk, the Trust retains the flexibility to invest in key priorities to mitigate other risks identified.

The Mast Academy Trust

Trustees' Report (continued)

Financial Review (continued)

Fundraising

The academy trust does not use any external fundraisers. All internal fundraising undertaken during the year, was monitored by the Trustees.

Funds for the Mast Academy Trust, as a multi academy trust, are largely in the form of grants provided by the Department for Education through the Education and Skills Funding Agency.

Plans for Future Periods

The Trust has demonstrated its resolve to implement strategic change at the same time as managing the challenges presented by Covid-19. The Trust has strengthened its team at all levels and has refreshed its plans for the future. The Mast Academy Trust is looking forward to the years ahead with great enthusiasm and with the infrastructure and resources to ensure success.

We will continue to collaborate with each other and other stakeholders, including our local pyramid of schools, the Regional Schools Commissioner and the Department for Education to make sure our plans for improvement are actioned and lead to sustained improvement regardless of the challenges currently faced by the education sector.

This will mean that over time our ambition to stabilise, sustain and grow will be realised over the coming years and The Mast Academy Trust will continue to be a strong Multi Academy Trust for now and into the future.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 trustees, as the company directors, on 26 January 2021 and signed on the board's behalf by:

C M Jones

C M Jones (Jan 26, 2021 13:22 GMT)

Martyn Jones

Trustee

26 January 2021

The Mast Academy Trust

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the chief executive, 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 the Mast Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. A number of other meetings have taken place without formal minutes to discuss the development of the Trust and this has meant that Trustees have been able to remain connected with the business. The Trust reviewed current arrangement for Governance in 2019/20 and subsequently has furthered strengthened through increasing the number of both Sub-Committee and full Board meetings.

Attendance during the year at meetings (including sub-committee attendance) of the board of trustees was as follows:

Board of trustees				Trust Board			Extra Ordinary Meetings			Total		
Name	Role	From	To	A	S	%	A	S	%	A	S	%
Andrea Mills	Trustee	12/12/2018	02/12/2019	1	1	100%				2	2	100%
Andy Williams	Trustee	02/09/2016	02/09/2020	4	4	100%	2	4	50%	10	12	83%
Anthony Wilkinson	Trustee	06/09/2016	02/09/2020	2	4	50%	0	4	0%	3	11	27%
Baljit Barring	Trustee	04/10/2018	05/10/2019									
Helen Jones	Trustee	14/01/2017	14/01/2021	2	4	50%	1	4	25%	5	12	42%
Liz Godman	Trustee	25/05/2018	25/05/2022	4	4	100%	3	4	75%	14	15	93%
Martyn Jones	Trustee	02/09/2016	02/09/2020	3	4	75%	4	4	100%	11	12	92%
Philip Oldfield	Trustee	24/05/2019	23/05/2023	3	4	75%	3	4	75%	10	12	83%
Tim Wade	Trustee	26/03/2019	26/03/2023	3	4	75%	3	4	75%	9	11	82%
Natasha Greenough	CEO			4	4	100%	2	2	100%	17	17	100%
Jason Field	CFO			4	4	100%	2	2	100%	10	10	100%

A sub-committee structure has been developed by the Trust during the course of the year and this is now starting to operate more formally. This will formalise and strengthen the control of Trustees over

The Mast Academy Trust

Governance Statement (continued)

Governance (continued)

the governance of the Trust and will replace the less formal approach previously used with regard to having link Trustees in key areas.

The committees are as described in the section on the organisation of the Trust in the Trustees Report, and all have a set of responsibilities as defined in a terms of reference document that is reviewed each year.

The committees are aligned to the three core functions of an academy trust as defined in the Governance Handbook

During the course of 2019/20 the Audit committee, which has been functioning formally throughout the life of the Trust, met three times.

The Trust has now agreed membership for a Staffing committee, a Standards and Effectiveness committee and a Finance committee. An executive officer has also been appointed to the central team to co-ordinate and strengthen the operation of the governance in the Trust.

Board of trustees		Audit Committee			Finance Committee			Standard and Effectiveness Committee			Staffing Committee		
Name	Role	A	S	%	A	S	%	A	S	%	A	S	%
Andrea Mills	Trustee	1	1	100%									
Andy Williams	Trustee							4	4	100%			
Anthony Wilkinson	Trustee										1	3	33%
Baljit Barring	Trustee												
Helen Jones	Trustee							2	4	50%			
Liz Godman	Trustee							4	4	100%	3	3	100%
Martyn Jones	Trustee				1	1	100%				3	3	100%
Philip Oldfield	Trustee	3	3	100%	1	1	100%						
Tim Wade	Trustee	3	3	100%									
Natasha Greenough	CEO	3	3	100%	1	1	100%	4	4	100%	3	3	100%
Jason Field	CFO	3	3	100%	1	1	100%						

The Trust is comfortable that the meeting structure described above allows a good oversight of the business of the trust, with Trustees being able to delegate responsibilities to sub-committee meetings in lieu of additional Board meetings. This allows more detailed discussion in a number of specialist areas, allowing the quality of decision making to improve at the same time as bringing clarity to the Board of Trustees across the full range of areas required for the running of the Trust.

Review of Value for Money

As accounting officer, the chief executive has responsibility for ensuring that the academy 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 academy 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. This year has been particularly challenging in terms of providing value for money as a result of resource stretch

The Mast Academy Trust

Governance Statement (continued)

caused by the Covid-19 pandemic. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Continuing to improve the capacity of key staffing resources to work across the trust more effectively. This has led to proposals for combined strategic educational leadership across our middle schools, as well as combined teams operating in the areas of business management, site management and IT management. These proposals have now been discussed with Trustees and will be embedded during the course of 2020/21.
- Using our combined resources to procure site management goods and services during the cost of the Covid-19 pandemic. This has meant reduced cost per item of goods in some cases as well as a reduced administrative burden on each school with the processing of orders being performed on a collaborative basis.
- Ensuring the trust continues to access grant funding, notably through Condition Improvement Funding, to generate value for its pupils wherever possible through the improvement of its physical environment as a result of priority condition issues.
- Enabling the trust to appoint a Trust Operations Officer who will develop, alongside the central team, priorities for strategic procurement activity in 2020/21.
- Ensuring the trust will continue to improve its knowledge of the tools that the Department for Education is rolling out to support Multi Academy Trust so it can ensure that further opportunities are taken to improve value for money. The trust intends to work with Schools Resource Management advisors and fully implement /integrated curriculum financial planning during the course of 2020/21

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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Mast Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

The academy 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 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

The Mast Academy Trust

Governance Statement (continued)

The Risk and Control Framework (continued)

- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Audit One as internal auditor

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

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

On an annual basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. This area will be strengthened over the coming period to allow increased internal scrutiny with a wider programme of internal control across a number of crucial strategic areas.

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- The work of the audit committee in reviewing the risk register and monitoring actions

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

Approved by order of the members of the board of trustees on 26 January 2021 and signed on its behalf by:

C M Jones

C M Jones (Jan 26, 2021 13:22 GMT)

Martyn Jones

Trustee

NGreenough

NGreenough (Jan 26, 2021 20:28 GMT)

Natasha Greenough

Accounting Officer

The Mast Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of The Mast Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the 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 2019.

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

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

NGreenough
NGreenough (Jan 26, 2021 20:28 GMT)

Natasha Greenough

Accounting Officer

26 January 2021

The Mast Academy Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 26 January 2021 and signed on its behalf by:


C M Jones (Jan 26, 2021 13:22 GMT)

Martyn Jones

Trustee

The Mast Academy Trust

Independent auditor's report to the members of The Mast Academy Trust

Opinion

We have audited the financial statements of The Mast Academy Trust ("the 'Academy Trust') for the year ended 31 August 2020 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, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

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 charitable company 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

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

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

The Mast Academy Trust

Independent auditor's report to the members of The Mast Academy Trust (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, other than the financial statements and our auditors' reports thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report including the incorporated Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the incorporated Strategic Report.

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

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

The Mast Academy Trust

Independent auditor's report to the members of The Mast Academy Trust (continued)

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 19 the Directors (who are directors 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 Directors 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 Directors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit report

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

Mazars LLP

Mazars LLP (Jan 27, 2021 21:18 GMT)

Shaun Mullins

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor

3 Wellington Place

Leeds

LS1 4AP

The Mast Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Mast Academy Trust and the Education & Skills Funding Agency

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

This report is made solely to The Mast Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Mast Academy Trust and the ESFA those matters we are required to state to it 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 The Mast Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Mast Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Mast Academy Trust's funding agreement with the Secretary of State for Education dated 30 December 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The Mast Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Mast Academy Trust and the Education & Skills Funding Agency (continued)

Approach (continued)

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

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 period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP (Jan 27, 2021 21:18 GMT)

Reporting Accountant

Mazars LLP

The Mast Academy Trust

Statement of Financial Activities for the year ended 31 August 2020 (including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020	Total 2019
	Note	£000	£000	£000	£000	£000
Income and endowments from:						
Donations and capital grants	2	-	-	1,393	1,393	758
Charitable activities:						
Funding for the academy trust's educational operations	3	124	6,771	-	6,895	6,691
Teaching school	25	60	129	-	189	249
Other trading activities	4	21	-	-	21	43
Investments	5	2	-	-	2	1
Total		207	6,900	1,393	8,500	7,742
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6	56	7,152	314	7,522	7,238
Teaching School	25	57	122	-	179	359
Total		113	7,274	314	7,701	7,597
Net income / (expenditure)		94	(374)	1,080	800	146
Transfers between funds	16	-	(49)	49	-	-
Other recognised (losses):						
Actuarial (losses) on defined benefit pension schemes	16,23	-	(963)	-	(963)	(1,011)
Net movement in funds		94	(1,386)	1,129	(163)	(865)
Reconciliation of funds						
Total funds brought forward		683	(1,901)	14,484	13,266	14,131
Total funds carried forward		777	(3,287)	15,613	13,103	13,266

The Mast Academy Trust

Balance Sheet as at 31 August 2020

Company Number
10357163

	Notes	2020 £000	2020 £000	2019 £000	2019 £000
Fixed assets					
Intangible assets	11		18		36
Tangible assets	12		14,385		14,375
Current assets					
Debtors	13	1,269		607	
Cash at bank and in hand	21	1,716		1,638	
		<u>2,985</u>		<u>2,245</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	(683)		(1,104)	
Net current assets			<u>2,302</u>		<u>1,141</u>
Total assets less current liabilities			16,705		15,552
Creditors: Amounts falling due after more than one year	15	(35)		(50)	
Net assets excluding pension liability			<u>16,670</u>		<u>15,502</u>
Defined benefit pension scheme liability	23	(3,567)		(2,236)	
Total net assets			<u>13,103</u>		<u>13,266</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	16	15,613		14,484	
. Restricted income fund	16	280		335	
. Pension reserve	16	(3,567)		(2,236)	
Total restricted funds			12,326		12,583
Unrestricted income funds	16		<u>777</u>		<u>683</u>
Total funds			<u>13,103</u>		<u>13,266</u>

The financial statements on pages 25-52 were approved by the trustees, and authorised for issue on 26 January 2021 and are signed on their behalf by:

C M Jones

C M Jones (Jan 26, 2021 13:22 GMT)

Martyn Jones

Trustee

The Mast Academy Trust

Statement of Cash Flows for the year ended 31 August 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	(1,011)	26
Cash flows from investing activities	20	1,089	46
Change in cash and cash equivalents in the reporting period		78	72
Cash and cash equivalents at 1 September 2019		1,638	1,566
Cash and cash equivalents at the 31 August 2020	21	1,716	1,638

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020

1 Statement of 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 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 (FRS102), 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 (FRS102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Going Concern

The trustees assess whether the use of going concern is appropriate. That is 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 period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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 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 period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

1 Statement of Accounting Policies (continued)

Income (continued)

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

- **Sponsorship Income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other Income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the 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. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

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

All resources expended are inclusive of irrecoverable VAT

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software over the length of the software licence

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

Expenditure (continued)

Tangible Fixed Assets

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

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

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

	50
• Long leasehold buildings	years
• Long leasehold land	over the length of the lease
• Fixtures, fittings and equipment	5 years
• ICT hardware	3 years
• Motor Vehicles	5 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

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.

Provisions

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

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

Leased Assets

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

Taxation

The 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 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.

Financial Instruments

The academy trust only holds basic financial instruments as defined in 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 measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or any other financial instrument.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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. As stated in note 23, the TPS is a 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 scheme and the assets are held separately from those of the 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

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.

Critical accounting estimates and assumptions

The 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 pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Devolved Formula Capital Grants	-	36	36	102
Other Capital Grants	-	1,357	1,357	656
	-	1,393	1,393	758

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
DfE / ESFA grants				
General Annual Grant (GAG)	-	5,871	5,871	5,689
Other DfE/ESFA grants	-	764	764	492
	-	6,635	6,635	6,181
Other Government grants				
Local authority grants	-	124	124	114
	-	124	124	114
Other income from the academy trust's educational operations	183	120	303	646
Exceptional Government funding				
Coronavirus exceptional support	-	21	21	-
	183	6,900	7,083	6,941

4 Other Trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Hire of facilities	7	-	7	11
Uniform income	-	-	-	5
Other income	14	-	14	27
	21	-	21	43

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Short term deposits	2	-	2	1
	2	-	2	1

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

6 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other	2020	2019
	£000	£000	£000	£000	£000
Academy's educational operations:					
. Direct costs	5,029	227	288	5,544	5,478
. Allocated support costs	821	292	865	1,978	1,760
Teaching school					
. Direct costs	13	-	55	68	225
. Allocated support costs	52	-	59	111	134
	5,915	519	1,267	7,701	7,597

Net income/(expenditure) for the period includes:

	2020	2019
	£000	£000
Operating lease rentals	34	14
Depreciation	296	270
Amortisation of intangible fixed assets (included within Charitable Activities – Academy trust educational operations)	18	17
Fees payable to auditor for:		
- audit	19	17
- other services	4	4

7 Charitable Activities

	Total	Total
	2020	2019
	£000	£000
Direct costs – educational operations	5,544	5,478
Support costs – educational operations	1,978	1,760
	7,522	7,238

Analysis of support costs

	Educational operations	Total	Total
	2020	2020	2019
	£000	£000	£000
Support staff costs	821	821	750
Technology costs	81	81	82
Premises costs	292	292	293
Other support costs	762	762	616
Governance costs	22	22	19
Total support costs	1,978	1,978	1,760

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

8 Staff

a. Staff costs

Staff costs during the period were:

	Total 2020 £000	Total 2019 £000
Wages and salaries	4,426	4,196
Social security costs	411	389
Operating costs of defined benefit pension schemes	963	693
	5,800	5,278
Supply staff costs	113	148
Staff restructuring costs	2	30
	5,915	5,456
Staff restructuring costs comprise:		
Redundancy payments	-	2
Severance payments	2	28
	2	30

b. Non-contractual staff severance payments

Included in staff restructuring costs is one (2019: one) non-contractual severance payments totalling £2,410 (2019: £27,532).

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	72	70
Administration and support	117	118
Management	11	15
	200	203

d. Higher paid staff

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

	2020 No.	2019 No.
£60,001 - £70,000	3	3
£70,001 - £80,000	-	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-

e. Key management personnel

The key management personnel of the academy trust comprise of the Trustees and Senior Leadership Team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £484,288 (2019: £378,404).

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer only receives remuneration in respect of services provided undertaking the roles of Chief Executive under their contract of employment.

Debra Knowles (Chief Executive Officer and Staff Trustee) resigned 31 Jan 2020

Remuneration £85,000 - £90,000

Employer's pension contributions paid £15,000 - £20,000

The new Chief Executive Officer appointed in January 2020 has not been appointed as a Trustee.

10 Trustees' and Officers' Insurance

The Academy Trust has opted in to the Risk Protection Arrangement (RPA) offered by the Government as an alternative to commercial insurance. The insurance provides cover up to £10,000,000 on any one claim and the cost for the period ended 31 August 2020 was £24,894 (2019: £27,400) This is the total cost of the RPA scheme for the Trust.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

11 Intangible Fixed Assets

	Computer Software	Total
Cost	£000	£000
At 1 September 2019	63	63
At 31 August 2020	63	63
Amortisation		
At 1 September 2019	27	27
Charged in year	18	18
At 31 August 2020	45	45
Carrying amount		
At 31 August 2019	36	36
At 31 August 2020	18	18

12 Tangible Fixed Assets

	Leasehold Land and Buildings	Furniture and Equipment	Computer Hardware	Motor Vehicles	Total
	£000	£000	£000	£000	£000
Cost					
At 1 September 2019	14,800	137	108	15	15,060
Additions	223	48	36	-	307
At 31 August 2020	15,023	185	144	15	15,367
Depreciation					
At 1 September 2019	577	51	43	15	686
Charged in year	228	30	38	-	296
At 31 August 2020	805	81	81	15	982
Net book values					
At 1 September 2019	14,223	86	65	-	14,375
At 31 August 2020	14,218	104	63	-	14,385

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

13 Debtors

	2020	2019
	£000	£000
Trade debtors	12	12
VAT recoverable	81	149
Prepayments and accrued income	1,176	446
	1,269	607

14 Creditors: Amounts Falling due within one year

	2020	2019
	£000	£000
Trade creditors	331	572
Other taxation and social security	102	100
Other creditors	122	103
Accruals and deferred income	128	329
	683	1,104

Deferred income

	2020	2019
	£000	£000
Deferred income at 1 September 2019	127	92
Released from previous years	(118)	(92)
Resources deferred in the year	59	127
Deferred Income at 31 August 2020	68	127

At the Balance sheet date the Trust was holding deferred income relating to Universal Infant Free School Meals (£32k), Rates relief (£6k), trip income (£21k) and PE premium not spent in year (9k).

15 Creditors: Amounts Falling due in greater than one year

	2020	2019
	£000	£000
Other Creditors	35	50
	35	50

The Mast Academy Trust has been awarded 2 Salix loans for LED lighting as described in the schools below. One loan relates to Kirkburton Middle School and the other to Scissett Middle School. The details of the loan are as below. The loans are interest free and are repaid over the estimated period of payback for the savings. The work relating to both loans was completed in 2016/17 and agreements are signed off.

Kirkburton Middle School	
Loan amount	44,531
Payment of loan	15,904
Amounts falling due within 1 year	6,362
Amounts falling due in greater than 1 year	22,265
Scissett Middle School	
Loan amount	43,705
Payment of loan	21,853
Amounts falling due within 1 year	8,741
Amounts falling due in greater than 1 year	13,111

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

16 Funds

	Balance at 1 September 2019	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2020
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant (GAG)	246	5,871	(5,907)	-	210
Pupil Premium	-	223	(223)	-	-
Capital expenditure from GAG	(153)	-	-	(49)	(202)
Other grants	242	806	(776)	-	272
Pension reserve	(2,236)	-	(368)	(963)	(3,567)
	(1,901)	6,900	(7,274)	(1,012)	(3,287)
Restricted fixed asset funds					
Transfer on conversion	14,068	-	-	-	14,068
DfE/EFA capital grants	263	1,394	(314)	-	1,343
Capital expenditure from GAG	153	-	-	49	202
	14,484	1,394	(314)	49	15,613
Total restricted funds	12,583	8,294	(7,588)	(963)	12,326
Total unrestricted funds	683	207	(113)	-	777
Total funds	13,266	8,501	(7,701)	(963)	13,103

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

Restricted General Fund

This fund has arisen from funds provided by the Government and Local Authority and it is to be used for educational purposes as agreed in the objects of the organisation and with the Secretary of State. The Academy Trust is not subject to a limit on what it can carry forward at 31st August 2020. The deficit on the Local Government Pension fund amounted to £(3.567)m. This will continue to be monitored by the Trust in association with the West Yorkshire Pension Fund.

Restricted Fixed Asset fund

This fund has arisen from capital funding from the Government and assets donated by the Local Authority. It is to be used for educational purposes as agreed by the Secretary of State and in accordance with the Trust's objects. Any transfer of funds into this fund from other funds are to ensure that assets held at each academy are fully funded according to the commitments that each academy has made to purchasing assets classified under this fund.

Unrestricted fund

The surplus has arisen from activities from generating funds and transfers from Local Authority of funds surplus at the time of conversion to academy status.

The trust has a surplus against Restricted and Unrestricted General Funds (excluding Pensions Reserves) of £777k (unrestricted) + £280k (restricted general) = £1,057k. £173k of this fund is accounted for by the teaching school, leaving a surplus available of £884k for the Mast Academy Trust.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

16 Funds (continued)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2019 £000
Restricted general funds					
General Annual Grant (GAG)	336	5,689	(5,779)	-	246
Pupil Premium	-	245	(245)	-	-
Other grants	242	870	(870)	-	242
Capital Expenditure From GAG	(135)	-	-	(18)	(153)
Pension reserve	(900)	-	(325)	(1,011)	(2,236)
	(457)	6,804	(7,219)	(1,029)	(1,901)
Restricted fixed asset funds					
Transfer on conversion	14,068	-	-	-	14,068
DfE/EFA capital grants	(208)	758	(287)	-	263
Capital expenditure from GAG	135	-	-	18	153
	13,995	758	(287)	18	14,484
Total restricted funds	13,538	7,562	(7,505)	(1,011)	12,583
Total unrestricted funds	593	181	(92)	-	683
Total funds	14,131	7,743	(7,597)	(1,011)	13,266

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

	Total	Total
	2020	2019
	£000	£000
Birdsedge First School	101	67
Kirkburton Middle School	144	184
Scissett Middle School	268	271
Shelley First School (including teaching school £173k (2019: £163k))	443	438
Central services	101	58
Total before fixed assets and pension reserve	1,057	1,018
Restricted fixed asset fund	15,613	14,484
Pension reserve	(3,567)	(2,236)
Total	13,103	14,131

Analysis of academies by cost

Revenue expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs	Total	Total
	£000	£000	£000	£000	2020	2019
	£000	£000	£000	£000	£000	£000
Birdsedge First School	261	38	11	74	384	457
Kirkburton Middle School	1,898	243	78	343	2,562	2,461
Scissett Middle School	2,189	294	114	402	2,999	2,838
Shelley First School (inc WYTA)	627	174	51	269	1,121	1,263
Central services	67	124	3	(192)	2	(1)
Academy Trust	5,042	873	257	896	7,068	7,018

Academy expenditure excludes expenditure on pension scheme expenditure not recognised in employee or employer contributions and intrabusiness expenditure. Central services recover costs through the Trust service charge leading to the cost reduction in other costs.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

17 Analysis of Net Assets between Funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	18	18
Tangible fixed assets	-	-	14,385	14,385
Current assets	777	963	1,245	2,985
Current liabilities	-	(683)	-	(683)
Non-current liabilities	-	-	(35)	(35)
Pension scheme liability	-	(3,567)	-	(3,567)
Total net assets	777	(3,287)	15,613	13,103

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

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	36	36
Tangible fixed assets	-	-	14,375	14,375
Current assets	683	1,438	124	2,245
Current liabilities	-	(1,104)	-	(1,104)
Non-current liabilities	-	-	(50)	(50)
Pension scheme liability	-	(2,236)	-	(2,236)
Total net assets	683	(1,902)	14,485	13,266

18 Commitments under operating leases

Operating Leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £000	2019 £000
Amounts due within one year	13	12
Amounts due between one and five years	17	18
	30	30

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

19 Reconciliation of Net Income to Net Cash Flow from Operating Activities	2020	2019
	£000	£000
Net income for the reporting period (as per the statement of financial activities)	800	146
Adjusted for:		
Amortisation (note 11)	18	17
Depreciation charges (note 12)	296	270
Capital grants from DfE and other capital income	(1,393)	(758)
Interest receivable (note 5)	(2)	(1)
Defined benefit pension scheme cost less contributions payable (note 23)	329	303
Defined benefit pension scheme finance cost (note 23)	39	22
(Increase) in debtors	(661)	(358)
(Decrease) in creditors	(436)	385
Net cash (used in) / provided by Operating Activities	(1,010)	26

20 Cash Flows from Investing Activities	2020	2019
	£000	£000
Dividends, interest and rents from investments	2	1
Purchase of intangible fixed assets	-	(24)
Purchase of tangible fixed assets	(307)	(689)
Capital grants from DfE/ESFA	1,393	758
Net cash provided by investing activities	1,088	46

21 Analysis cash and cash equivalents	At 31 August	At 31 August
	2020	2019
	£000	£000
Cash in hand and at bank	1,716	1,638
Total cash and cash equivalents	1,716	1,638

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

22 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.

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

23 Pension and Similar Obligations

The 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 Yorkshire Pension Authority. Both are multi-employer defined benefit pension schemes.

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

Contributions amounting to £110,531 were payable to the schemes at 31 August 2020 (2018/19: £88,034) 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 the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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%.

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

The employers pension costs paid to TPS in the period amounted to £730,300 (2018: £477,318).

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

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

23 Pension and Similar Obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 Aug 2020 was £286k (2018/19: £287k), of which employers contributions totalled £215k (2018/19 £215k) and employees' contributions totalled £71k (2018/19 £72k). The agreed contribution rates for future years are 18.0 per cent for employers and 9.0 per cent for employees.

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

Principal Actuarial Assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.55%	3.35%
Rate of increase for pensions in payment/inflation	2.30%	2.10%
Discount rate for scheme liabilities	1.70%	1.80%
Inflation assumption (CPI)	2.30%	2.10%
Commutation of pensions to lump sums	2.30%	2.10%

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 2020 years	At 31 August 2019 years
<i>Retiring today</i>		
Males	21.8	22.2
Females	24.6	25.4
<i>Retiring in 20 years</i>		
Males	22.5	23.2
Females	25.7	27.2

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

23 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Sensitivity analysis	2020	2019
	£000	£000
Discount rate +1%	186	125
Discount rate -1%	(186)	(127)
Mortality assumption +1 year	(291)	(227)
Mortality assumption -1 year	299	230
Pension increase rate +0.1%	(154)	(79)
Pension increase rate -0.1%	154	80
Salary increase assumption +0.1%	(32)	(47)
Salary increase assumption -0.1%	32	47

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

	Fair value at 31 August 2020	Fair value at 31 August 2019
	£000's	£000's
Equity instruments - equities	3,521	3,552
Cash	77	87
Other	68	50
Debt instruments - other bonds	226	206
Government bonds	439	481
Property	195	201
Total market value of assets	4,526	4,577

The actual return on scheme assets was £577,000 (2018/19: £168,000).

Amounts recognised in the statement of financial activities

	2020	2019
	£000	£000
Current service cost (net of employee contributions)	544	389
Past Service cost	-	129
Net interest cost	39	24
Total amounts recognised in the SOFA	583	542

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

23 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

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

		2020 £'000	2019 £'000
At 1 September		6,813	4,695
Current service cost		544	389
Interest cost		123	131
Employee contributions		71	72
Actuarial (gain)/loss	financial	582	1,479
Actuarial (gain)/loss	Demographic	(273)	-
Actuarial (gain)/loss	Liability experience	314	-
Benefits paid		(81)	(82)
Past Service cost		-	129
At 31 August		8,093	6,813

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

		2020 £'000	2019 £'000
At 1 September		4,577	3,795
Interest income		84	109
Remeasurement (losses) on assets		(340)	-
Actuarial gain		-	468
Employer contributions		215	215
Employee contributions		71	72
Benefits paid		(81)	(82)
At 31 August		4,526	4,577

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

24 Related Party Transactions

The Mast Academy Trust has entered into a related party transaction with Liz Godman who has provided educational consultancy services for the Trust and is appointed as a Trustee. This service amounted to £450 across the Trust for the 2019/20 financial year (£900 2018/19). Trustees' remuneration and expenses are disclosed in note 9.

25 Teaching School

	2019/20 £000	2019/20 £000	2019/20 £000	2018/19 £000	2018/19 £000	2018/19 £000
Income						
Direct Income						
Core Grant		40			23	
SSIF Grant		-			147	
Bradford opportunity grant		41			19	
Sport England Grant		48			-	
Other Income						
Initial Teacher Training		56			40	
Other school support		4			20	
Total Income			189			249
Expenditure						
Direct costs						
Leadership costs	13			-		
Core grant expenditure	2			7		
SSIF grant expenditure	-			213		
Other grant expenditure	-			-		
Bradford opportunity area	32			5		
Sport England Grant	21			-		
Other costs						
Support staff costs	52			70		
Initial Teacher Training	52			22		
Other school support	3			13		
Total other costs	4			29		
Total expenditure			179			359
Surplus/(deficit) from all sources			10			(110)
Teaching school at 1 September 2019 / 1 September 2018			163			273
Teaching school at 31 August 2020 / 31 August 2019			173			163

The Mast Academy Trust

Notes to the Financial Statements for the period ended 31 August 2020 (continued)

26 Central Services

The Trust provides the following Central Services:

- Strategic management and planning
- School improvement support and co-ordination
- Finance support and central accounting
- Governance services and clerking across the Trust
- Employment law and legal advice services
- Health and Safety system guidance
- HR advice
- GDPR compliance services

The Trust charges for these services on the following basis:

- a fee of 5.0% based on General Annual Grant income as a standard fee
- additional fees have been charged to Kirkburton following its Ofsted inspection to support improvement activity

The actual amounts charged in the year were as follows:

	2020	2019
	£000	£000
Birdsedge First School	14	16
Kirkburton Middle School	117	85
Scissett Middle School	102	97
Shelley First School	31	30
	264	228