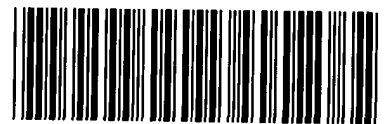


IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

WEDNESDAY



A9KION43

A20

23/12/2020

#233

COMPANIES HOUSE

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 18
Governance statement	19 - 23
Statement on regularity, propriety and compliance	24
Statement of Trustees' responsibilities	25
Independent auditors' report on the financial statements	26 - 28
Independent reporting accountant's report on regularity	29 - 30
Statement of financial activities incorporating income and expenditure account	31 - 32
Balance sheet	33 - 34
Statement of cash flows	35
Notes to the financial statements	36 - 62

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr D Gilchrist (resigned 15 September 2019) Dr P Shepherd (resigned 1 September 2019) Dr M Reddy Mr D Morgan Mr C Midgley Mrs R Hashmi (appointed 21 September 2020) Mrs N Winrow (appointed 29 October 2020)
Trustees	Dr M Reddy, Chair of Trustees Mr P Shire Mr S Rees Dr P Shepherd (resigned 31 August 2020) Mr J Eccleston Mr M Kay, Chief Executive (resigned 31 August 2020) Mr P McDermott (resigned 31 August 2020) Ms L Broadley (appointed 14 September 2019) Mrs C McDermott (appointed 14 September 2019) Mr A Lord (appointed 4 November 2019) Mrs J Kaye (appointed 4 November 2019) Mrs C Spencer (appointed 16 December 2019) Mr A Hunt (appointed 21 September 2020) Mr D Clarke (appointed 21 September 2020)
Company registered number	08529006
Company name	Impact Education Multi Academy Trust
Principal and registered office	First Floor, Unit 12 Longbow Close Pennine Business Park Huddersfield HD2 1GQ
Chief executive officer	Mick Kay
Senior management team	Mr M Kay, CEO Mr G Hellawell, CFO Mr M Perry, Headteacher - The Halifax Academy Mr P Brook, Headteacher - Castle Hall Academy Mrs G Horner, Headteacher - Warley Road Primary Academy (Resigned 31 August 2020) Director of Primary Education (Appointed 01 September 2020) Mr P Hannah, Headteacher - The Whitley AP Academy Mrs J Wood, Headteacher - Old Bank Academy Mrs L Heathcote, Headteacher, Warley Road Primary Academy (Appointed 01 September 2020)

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditors BHP LLP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Bankers Lloyds Bank plc
PO Box 1000
BX1 1LT

Solicitors Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 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.

Impact Education Multi Academy Trust is a charitable trust with five-member academies in the West Yorkshire area. The Halifax Academy, Warley Road Primary Academy and The Whitley AP Academy, all based in Calderdale and Castle Hall Academy and Old Bank Academy, Kirklees. At the end of the accounting period, Impact Education Multi Academy Trust was providing education to approximately 3000 students.

On 1 September 2020, Hill View Academy (formerly Almondbury Community School), Kirklees joined the trust and there is an Academy Order in place for another secondary school, based in Kirklees to join the trust early in 2021. This will take the number of academies to seven and the total number of students to around 3,750.

During the accounting period the trust established new head offices at Pennine Business Park, Bradley, Huddersfield, Kirklees.

Structure, governance and management

a. Constitution

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

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

The trustees of Impact Education Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Impact Education Multi 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 1.

The principal objects and activities of the trust is to advance education for the public benefit.

b. Members' liability

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

c. Trustees' indemnities

During the accounting period, the trustees have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity is £5,000,000.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of trustees

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Association. The number of trustees shall not be less than three but is not subject to any maximum. The members by ordinary resolution can appoint up to five of the trustees.

The trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a trustee by being Co-opted by trustees who have not themselves been so appointed.

The trustees may not co-opt an employee of the academy trust as a Co-opted Trustee if thereby the number of trustees who are employees of the academy trust would exceed one third of the total number of trustees including the Chief Executive Officer to the extent he or she is a trustee.

Each trustee serves a four-year term of office and can be re-appointed. An annual analysis of trustees' skills is conducted. This helps identify skills gaps. Where gaps cannot be closed via training and development, a recruitment process begins to identify a new trustee to strengthen that area. Recruitment is led by the chair of the trust, the CEO and the trust governance advisor. Partners such as Academy Ambassadors are used to find potential trustees. Candidates apply and then are interviewed for the role. Recommendations are made to the trust board. A full induction for successful candidates follows.

e. Policies adopted for the induction and training of trustees

An annual analysis of trustees' skills is conducted in the Autumn Term and forms the basis of each trustee's personal training plan. The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity, educational, legal and financial matters. As a minimum all new trustees will be issued with the following documents:

- Most recent issue of the Governance Handbook (September 2020)
- Most recent issue of A Competency Framework for Governance (September 2019)

All new trustees will be given a tour of the relevant academies and an opportunity to meet staff and pupils. All trustees are provided with copies of policies, minutes, accounts, budgets, plans and other documents that they will need to undertake their role effectively.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

f. Organisational structure

The Members of the company define the Object, Purpose and Ethos of the Company, and can direct the trust board where required to ensure those elements are met.

The trustees (directors), who form the trust board, have overall responsibility and ultimate decision making authority for all the work of the company, including establishing and running of schools and in particular each academy as a school. This is largely exercised through strategic planning and the setting of policy, holding the executive team to account and the oversight of financial control. It is managed through business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes. In this work, the Board is aided by the Finance, Risk and Audit Committee.

The trustees delegate their responsibilities for the day-to-day oversight of each academy to a Local Governing Body (LGB) through a Scheme of Delegation (the Scheme). The headteacher of each academy is an ex officio member of the LGB.

Delegated responsibilities, including financial expenditure limits, are determined by trustees at the Annual General Meeting which takes place at the start of each year. The CEO is the trust Accounting Officer.

The Senior Leadership Team (SLT) control each academy at an executive level, implementing the policies laid down by trustees, and reporting back to them, both via the LGB, the CEO, the Headteacher Strategy Group and directly where appropriate. SLT have line management responsibility for middle leaders who in turn are charged with managing the operations, activities, progress and performance of their department. SLT are responsible for the appointment of staff who directly or indirectly report to them through the management structure.

During the accounting period the trust consisted of the following academies:

Academy	Phase	Route	Joined Trust	Last Ofsted
The Halifax Academy	All through	Convertor	1 Nov 2013	Good Sep 2017
Castle Hall Academy	Secondary	Sponsor	1 Sep 2018	Inadequate Nov 2016
Warley Road Primary Academy	Primary	Convertor	1 Mar 2019	Good Nov 2017
The Whitley AP Academy	Alternative Provision	Convertor	1 Aug 2019	Good June 2017
Old Bank Academy	Primary	Sponsor	1 Apr 2020	Inadequate March 2019
Hill View Academy	Primary	Sponsor	1 Sep 2020	Inadequate Dec 2018

Note: Hill View Academy is a new academy. Its predecessor school was Almondbury Community School, an all through school. At the point of sponsorship, the secondary phase of the school was closed by Kirklees Council and the trust sponsored the primary phase to create a new academy.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

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

Setting pay for all staff is determined by applying the trust's Pay Policy. This policy is reviewed annually and approved by the trust board, and a pay committee is elected from trustees to oversee the application of the policy. The pay committee meets annually in Autumn Term to determine the pay of the CEO and headteachers, a process which is informed by an independent expert appointed by trustees and who has considerable experience in the setting of chief executive and headteachers' pay.

The CEO makes recommendations as to the determination of pay for headteachers and central team staff, which is reviewed and approved by the remuneration committee.

Headteachers make recommendations as to the determination of pay for all other staff, except themselves, to the pay committee of each LGB.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

Percentage of pay bill spent on facility time **£000**

Total cost of facility time	11
Total pay bill	16,011
Percentage of total pay bill spent on facility time	0.069 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
---	---	---

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

Impact Education Multi Academy Trust, including its member academies, is not formally a part of any other charities/companies/organisations or federations, over and above the normal relationships common to schools, trusts and educational establishments, in pursuit of their own objectives.

In the accounting period 2019/20, there was one transaction with a related party, disclosed in these statements at Note 29.

Objectives and activities

a. Objects and aims

The principle objects and activities of the Trust is to advance education for the public benefit.

Trust Mission

To improve social mobility for the disadvantaged and the life chances of children and young people.

Trust Vision

A trust where hearts and minds connect; values driven partners, working collaboratively to ensure education impacts positively on students, families, communities and staff.

Trust Aims

- a) To deliver outstanding outcomes for all students.
- b) To deliver excellence in teaching, learning, behaviour and curricula offer.
- c) To provide all students with life-enhancing opportunities to develop personally and to make a contribution to their communities and beyond.
- d) To develop highly effective leaders and governors, who are relentless in delivering sustainable successes for our students.
- e) To develop purposeful connections with parents and the communities we serve.
- f) To be an employer of choice.
- g) To develop highly effective and customer focused business and financial operations that support growth, manage risk, and deliver value for money.

The trust also aims to:

- Comply with all appropriate statutory and curriculum requirements.
- Provide value for money for the funds expended.
- Conduct its business in accordance with the highest standards of regularity and propriety.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

To deliver our mission and achieve our aims, the trust's strategic activities for the academic year have been focused on alignment of existing and joining academies to recognise and embed:

Trust Core Principles

Values Driven - Impact academies are inclusive communities where hearts and minds connect. Each academy is built around a clear set of values which are focused on transforming the lives of our students and the communities we serve.

Collaborative Leadership - Impact academies provide clarity of vision which will enable us to develop shared goals with leaders feeling empowered to share their skills and knowledge for the benefit of the wider trust. Our leaders will inspire, motivate and lead with emotional intelligence.

Learning and Research Focused - Impact academies transform learning through high quality teaching, coaching and using what works best from research. Academies are on a journey of continuous improvement, whilst ensuring student and staff wellbeing is at the heart of our work.

Effective Relationships - Impact academies place the development of effective relationships at the heart of their work. How we connect with each other, the community, culture, our learning and the wider world is the foundation of everything we do. Our relationships are built on mutual respect, professional trust and challenge.

High Expectations - Impact academies have high expectations of all students. Ambitious academic and personal development targets are set to ensure each student makes outstanding progress. Academies reinforce positive attitudes to learning, reasoning, resilience, responsibility, reflection and respect are key learning characteristics cultivated in our academies.

Developmental Opportunities - Impact academies invest in the personal development of students and professional development of staff. Impact academies provide all students with opportunities to make a contribution to their communities and beyond.

The impact of the strategic alignment, acknowledging the different conversion dates, is noted in the following section.

c. Public benefit

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

The key public benefit delivered by Impact Education Multi Academy Trust is the establishment and development of high-quality education provided by all its academies.

The trust offers a broad and balanced academic education and also aims to prepare young people for their next life stage by means of a comprehensive programme of extra-curricular activities, educational visits, community and business links.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report

Achievements and performance

a. Summary

The 2019/2020 academic year has been like no other. The world came to a standstill as it battled to fight the spread of Covid-19, a deadly infection which led to all British schools closing their doors to most children and staff on 20 March 2020.

Impact academies remained open to offer care provision for the children of key workers and vulnerable children. As always, the trust was able to act with agility, pace and care to ensure it was able to offer high quality care provision. The trust felt a moral obligation to continue to provide free school meals throughout closure period to eligible children, despite the governments initial reluctance to fund them.

To focus strategic activity during school closures the trust set out the following principles:

1. The obligation to ensure the safety of children, parents and staff;
2. A commitment to the welfare and wellbeing of children and staff;
3. Approaching the planning task to reopen in a calm, caring and consultative manner; and
4. Making measured and reasonable decisions on the basis of the evidence we have and within the unique contexts we face in our academies.

Governance at trust and LGB level was refocused on these principles to ensure there was a clear line of accountability, support and challenge on the activities that had the greatest impact.

Working from home for staff and remote learning for pupils was quickly becoming the new norm. All academies moved quickly to establish new working practices. Given the diverse nature of the trust's academies, a blend of virtual learning and paper-based learning was created in an attempt to maintain a continuity of learning. Some academy-based IT equipment was repurposed and loaned to the most vulnerable families to support learning and prevent social isolation. Amended safeguarding arrangements were implemented to support keeping all children and staff safe.

As part of steps taken to fight the spread of Covid-19, the British government cancelled all exams and tests due to take place in schools and colleges in England in summer 2020 and it will not publish any school or college level educational performance data based on tests, assessments or exams for 2020.

Until the closures, internal scrutiny of the performance of The Halifax Academy and Warley Road Primary Academy continued to demonstrate strong progress in driving continuous improvements. There were also significant improvements at the Trust's first sponsor academy, Castle Hall and at The Whitley AP Academy.

Ahead of sponsorship on 1 April 2020, the Trust took over the leadership of school improvement at Old Bank Junior, Infant and Nursery School on 1 January 2020. New leadership was seconded to the school from the trust. When Ofsted visited the school in March 2020 for a special measures monitoring visit, it was very pleasing that in the report, HMI acknowledged the impact of the trust's work in improving behaviour, safeguarding, attendance, attitudes to learning and capacity to drive further improvements.

Despite school closures and in the midst of a pandemic, the trust was able to successfully complete due diligence to bring Old Bank Academy into the trust on 1 April 2020. The trust was also able to successfully complete due diligence at Almondbury Community School, 4-16, working with a range of partners to skilfully create a brand-new identity for the new sponsor academy, Hill View, 3-11, which joined the trust on 1 September 2020.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

The trust centre has also moved to new offices that are geographically central to its academies. A successful DFE Trust Capacity Fund bid supported the centralisation of financial systems, processes and personnel. It also supported the trust in building capacity in estates management and Primary school improvement.

Covid-19 has slowed the process to sponsor Newsome High School, Kirklees. Following due diligence, the Trust submitted a bid of £3.8m for essential capital works at Newsome. This bid required Ministerial approval and signing off by the treasury. Schools closed one week before a decision was due to be made. The bid was successfully agreed in principle on 1 September 2020 and the Trust is in the process of concluding due diligence before the school joins the Trust in early 2021.

All tiers of governance were successfully strengthened during the accounting period, particularly with regard to skills in finance, audit, risk and business growth.

Despite Covid-19 restrictions, the trust estates continued to be systematically improved. Significant capital projects were successfully completed across all academies in our quest to ensure all our children can be taught and staff can work in a learning environment that they deserve.

b. Key performance indicators

Financial Key Performance Indicators set and monitored by trustees include:

- % of salaries expenditure to remain below 85% of total GAG income and below 80% of gross income.
- Quick Ratio of current assets less stock, over current liabilities, to be above 1.0.
- Reserves to be at least 4.2% of annual GAG.
- In-year balance to remain at or above budget forecast.
- Cumulative balance at each academy to be in surplus over each 4-year period.
- Cash levels to be sufficient to meet financial obligations.

Educational Key Performance Indicators expected of all trust academies include:

- All academies will be judged at least good by Ofsted within three years of joining Impact Education Multi Academy Trust.
- All academies to be in the top 20% nationally for student progress.
- In all academies disadvantaged students to make at least the same progress as other students nationally.
- In all academies attendance to be better than national averages.
- In all academies exclusions to be below national averages.

c. 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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

d. Engagement with suppliers, customers and others in a business relationship with the trust

The trust model for improvement prioritises quality, service and value for money. In doing so, our children, staff and communities can benefit from the economies of scale the trust can offer. The trust has built and maintains a reputation for transparency and fair dealing in our interactions with suppliers. This has continued throughout Covid-19.

The trust relationships with key stakeholders including the Regional Schools Commissioner, Calderdale and Kirklees Councils, local MPs and Ward Councillors is collaborative and transparent.

Financial review

a. Financial performance and in-year balance

The principal financial objective of the trust in 2019/20 was to achieve its budget performance target set at the start of the year, and stay within the overall framework of its four-year budget plan. Impact use four-year budget plans to combine the decreasing accuracy of long-term, time-dependent I&E projections, with the need to afford time to strategic management to shape provision and resources within and ahead-of the likely limitations of pupil-led grant funding.

The year included one school joining from a local authority, and the strategic expansion of the central services provided by the trust, together with a corresponding and proportional expansion of the central team. The timing of these events was uncertain to a degree, and the pandemic added further potential complexity. As such, the risk was therefore significant in both financial and operational terms.

Excluding land and pension adjustments on the conversion of Old Bank Academy, the trust made an operating deficit of income over expenditure of £121K, against an original budget set at a surplus of £98K. Impact view budgeting as a dynamic concern and revise budgets continuously according to the changing nature of provision, internal and external conditions, and the economic environment. The original budget for the year included capital expenditure of £231K. During the year this was reviewed to acquire fixed assets totalling £693K, converting the in-year budget operating surplus into a small deficit and transferring funds to acquire assets offering long-term economic benefit.

Reserves brought forward as at 1.9.19 were £1,929K, consisting of £1,053K in unrestricted reserves, and £876K in restricted reserves. Reserves to carry forward as at 31.8.20 are £1,949K (£595k unrestricted, £1,354k restricted) including current net assets of £82K brought-in by the joining school.

b. Reserves Policy

Impact Education Multi Academy Trust has established a reserves policy to protect its activities and strike a strategic balance between the effective delivery of education to current pupils, whilst guarding against future uncertainties and risk, and acquiring a purposeful aggregation of funds for capital investment, long-term cyclical estates improvement, and growth of the trust. The reserves policy is reviewed at least annually in September.

It is Impact's policy to consider all its reserves as central funds, and the use of those funds will be determined by trustees against the operational and strategic needs of the trust, regardless of the academy they were accumulated by. The reserves policy is underpinned by the firmly-held principle that as much current funding as possible must be spent on current pupils, to maximise current resources and provide the very best outcomes for young people currently in the trust's care.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

Reserves are necessary however, and should be held and managed effectively to protect the trust and each of its academies from its most significant risks, including but not limited to:

- I. Risk of per pupil funding income being flat or negative when compared to inflating costs over time which will be assumed to be 3% per annum across all expenditure types until further notice.
- II. Risk of an unexpected falling roll at any academy.
- III. Risk of deterioration or obsolescence of assets including buildings, plant, equipment and core infrastructure systems and services.
- IV. Risks associated with the growth of the trust and the transfer of liabilities into the trust from joining converter schools and existing academies and trusts.
- V. Risk of inadequate capital planning and investment in long-term projects to support strategic objectives.
- VI. Risk of insolvency and insufficient cash flow.

The level of reserves carried will be informed by the risk levels to which the trust is subject to, and will change over time. The trust will not ordinarily permit its academies to use reserves to support deficit budgets or financial planning that has not adequately assessed the financial context of the academy and budgeted correctly for things within its control. Short term use of reserves for such a purpose must be authorised by trustees.

The trust will not use reserves for any short-term purpose that would jeopardise the delivery of its medium and long-term capital programme, and in any eventuality total reserves equivalent to at least 1/24th of GAG income (4.2%) must be held. At the discretion of the trustees, reserves may be moved (only) from unrestricted to restricted and restricted fixed asset funds, and from restricted to restricted fixed asset funds.

The reserve levels set for this accounting period were:

1. Liquidity at academy level, 3% of GAG, £498,000
2. Growth funds, £125k per conversion, £375,000
3. Lifecycle funds, £25k per academy, £100,000
4. Total reserves to be held in accounting period (minimum), £973,000
5. Minimum reserves to be held at any time, 4.2% of GAG, £698,000

With respect to the Local Government Pension Scheme (LGPS) trustees have noted that in 2019/20, with the joining of one academy and with the current actuarial environment increasing liabilities on public sector pension schemes, the trust's share of the deficit held in West Yorkshire Pension Scheme funds has increased significantly to a deficit on the balance sheet of £8,451 (2018/19: £6,391k). Trustees are aware that this may mean, at the trust's next triennial valuation, there is a significant risk that the contributions payable by both employer and employees, may change. Trustees are also aware that the trust's master funding agreement held with the Secretary of State provides assurance that, should the balance sheet liability to the LGPS ever exceed the current and future service costs that are affordable by the trust's share of the scheme and current contributions, then the Secretary of State for Education would make up any shortfall.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

c. Principal Risks and Uncertainties

Trustees have identified and put in place control measures to terminate, treat, transfer or tolerate, the major risks it faces at trust and academy level. During the year executive managers and trustees have undertaken an independent audit in the management of risk. These risks, which have changed in likelihood and magnitude during a year of fast growth, include but are not limited to:

- Failure to meet educational objectives to maintain pupil outcomes at 'Good' academies
- Failure to improve outcomes for pupils at academies that require timely improvement
- A deficit budget and inability to meet financial obligations
- Failure to comply with statutory legislation and to keep children safe
- Failure to insure and indemnify against insurable risks
- Failure to recruit the required and estimated number of pupils and maintain a direct link between funding and an expansion of provision.
- Failure to perform adequate due diligence and not identify and mitigate risks associated with the acceptance of new academies and growth of the trust.
- Failure to attract, develop and retain, the highest quality staff across all disciplines.

Trustees identify and review risks by means of a Risk Register that is reviewed termly. Risk management is a key and continuous focus of the CEO, board, Finance Risk and Audit Committee, and headteachers' strategic management group.

Fundraising

Impact Education Multi Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees. Trustees are generally supportive of its academies' staff and students raising funds for specific charitable causes. The trust has a fundraising policy to govern charity activities by staff and pupils to ensure good practice is observed, and the trust has oversight of any charity events held on its premises and/or by its staff and students. All fundraising undertaken during the accounting period was monitored by the trustees.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Plans for future periods

Our strategy is for growth with care, ensuring the trust has the capacity to meet the needs of each joiner academy in terms of support, challenge and leadership, without compromising the core purpose of any academy within the trust. Trustees recognise each academy has its own unique context and will therefore consider each one on a case by case basis. The context of the joining academy, including its effectiveness and size, will shape future growth. This growth strategy therefore sets out the trust's initial plans for growth and will be reviewed as each new academy joins.

During the pandemic, Ofsted inspections are suspended and may not take place at all for the remainder of this academic year. This is likely to impact the number of schools that the Regional School Commissioner (RSC) is seeking to be sponsored by MATs.

The trust is focused on embedding a new sponsor primary academy into the trust following sponsorship from 1 September 2020 and is also focused on concluding the successful sponsorship of one Kirklees based secondary school in the second quarter of 2021.

Following two years of rapid growth, the trust will consolidate its position to focus on the following:

- Supporting our academies during a pandemic.
- Improving the academies in the trust through a well-defined school improvement strategy.
- Embedding the new trust finance system, people and processes following centralisation
- Developing an IT Infrastructure & Services Strategy following centralisation
- Reviewing the trust HR Strategy with a view to centralisation
- Reviewing the trust Risk Management Strategy
- Developing the trust Estates Development Strategy, including the use of Every compliance software.
- Developing the trust brand identity by creating a new role at the centre to develop the Trust Marketing, PR and Communications Strategy.
- Developing our People Strategy, building capacity for improvement.
- Developing our operating model, ensuring it can be scaled at pace.
- Exploring free school opportunities.
- Exploring new partnerships with other smaller trusts or single schools that require improvement, are good or outstanding, who could see the opportunity and benefits in joining Impact.

Funds held as custodian on behalf of others

The trust was custodian of the funds of two collaborative partnerships in Calderdale in the academic year and accounting period 2018/19 – Calderdale Association of Headteachers (CASH), and Calderdale Self-Improving Schools Cluster. Both groups consist of Calderdale MBC headteachers and senior education officials, and their objective is to share and promote good practice between the Calderdale family of secondary schools. The responsibility for being custodian of funds moves annually from the school of that year's chairperson, to the school of the following year's chairperson. As at 31 August 2019 the balance of funds held by Impact on behalf of these groups was £104K. These funds were passed over to the incumbent school in 2019/20 in January 2020.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the trustees.

The academy trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy trust's equal opportunities policy, the academy trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy trust's offices.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Employee involvement and employment of the disabled (continued)

Streamlined Energy and Carbon Reporting

Impact Education Multi Academy Trust 2019 / 2020 Academic Year	Units	Total Actual
Total Energy Consumption	kWh	3,692,725

Energy consumption breakdown

Gas	kWh	2,567,191
Fuel for Transport	kWh	14,783
Electricity	kWh	1,110,751

Scope 1 emissions

Gas consumption	tonnes CO ₂ e	472.0
Own transport	tonnes CO ₂ e	3.7

Scope 2 emissions

Purchased electricity	tonnes CO ₂ e	283.9
-----------------------	--------------------------	-------

Scope 3 emissions

Business travel	tonnes CO ₂ e	1.9
Total Emissions (gross annual)	tonnes CO₂ e	761.5

Operations metrics

Pupil numbers	number	2,958
Staff / all employees	number	345
Floor area	m ²	24,593

Intensity ratios

Emissions per pupil	tonnes CO ₂ e/pupil	0.26
Travel emissions/staff*	tonnes CO ₂ e/staff	0.01
Campus energy intensity*	kWh/m ²	150
Lighting/power intensity (elec)*	kWh/m ²	45
Heating/water intensity (gas)*	kWh/m ²	104

*Recommended additional data inputs and performance benchmarks.

Quantification and Reporting Methodology

1. **Approach:** This report is to comply with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. We have followed the Mar 2019 HM Government Environmental Reporting Guidelines, used the GHG reporting Protocol – Corporate Standard (Revised), and DESFA's SECR Guidance for Academy Trusts Oct 2020.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

2. **Description:** The scope for this SECR disclosure includes staff travel, mini-bus use related to the activities of the Trust, and electricity and gas supplied to the following six sites and office:
- "THA" - The Halifax Academy – Main building (secondary school), primary school, Corn Wallace, Commanders House and the JB Building,
 - "WHI" - The Whitley AP Academy (Halifax),
 - "OLD" - Old Bank Academy (Mirfield),
 - "CHA" - Castle Hall Academy - Main Building, Science Block and House (Mirfield),
 - "WRP" - Warley Road - Main Building and Nursery (Halifax) and
 - "OFF" - The Impact Education Trust head office (Bradley, Huddersfield).
 - Out of scope for 2019-20: "HIL" - Hill View Academy (Almondbury, Huddersfield).
3. **Sources of data:**
- The primary source of data is the buildings electricity and gas invoices. These typically are based on actual meter readings taken monthly. Where there are gaps in invoices have been interpolated based on i) actual meter reading at the start and end of the period invoices, ii) volumes derived pro-rata from invoice value totals. Where secondary data has had to be used this is taken from schedules previously collated.
 - Travel emissions are calculated based on staff expense claims data
 - Travel emissions for the two Minibus's has been calculated from contemporary mileage records.
4. **Conversion factors derived from:** HM Government Conversion Factors for Company Reporting for the period 2019-2020, and BEIS guidance.
5. **Validation & verification:** Invoices for energy costs and expenses are checked and validated as part of routine finance controls.
6. ***Energy use benchmark normalisation**, including for Covid-19: To facilitate future performance comparisons energy and emission figures have been adjusted to reflect changed use of sites and activities during covid-19 related lockdown(s) and other non-normal events. Future years SECR reports will require the inclusion of previous periods data and explanation of variance.

Intensity measurement

1. **Primary metric:** The chosen intensity measure is total gross emissions (tonnes of CO2 equivalent) per pupil. [*Comparison to normalised intensity metric].
2. ***Secondary metrics:** Energy intensity by floor area has also been included to allow the relative and absolute performance of the buildings to be assessed and to monitor the effectiveness of travel and energy use policies.

Measures taken to improve energy efficiency

1. **Metering and monitoring:** A new BMS system has been installed at The Halifax Academy JB Building. Utilities contracts across all sites are being brought to the same contract end point, such that a trust-wide contract can be brokered.
2. **Heating and cooling:** New boilers have been installed in two buildings at The Halifax Academy. Approximately 80% of Castle Hall Academy has had single pane glazing replaced with sealed unit PVC double glazing.
3. **Power and lighting:** A full rewire has been completed at Castle Hall Academy. T8 lights have been replaced with LED units in several trust buildings.
4. **Transport and travel:** Trust staff have undertaken essential travel only and relied heavily on virtual meetings. Two old mini buses are due to be replaced with a fleet of five new fuel-efficient trust buses.
5. **Emission offsets:** No emission offsets (e.g. purchase and surrender of emissions certificates) measures have been taken.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Disclosure of information to auditors

Insofar as the trustees are aware:

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

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


M Reddy (Dec 15, 2020 12:06 GMT)

.....
Dr M Reddy
(Chair of Trustees)

Date: Dec 15, 2020

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Impact Education Multi 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 Officer, 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 Impact Education Multi 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 boards are supported by an experienced Trust Improvement Advisor / NLG. An annual skills audit is undertaken to identify strengths and areas to develop. The audits fed into the recruitment process for new trustees. The board was significantly strengthened during the reporting period with support of Academy Ambassadors to appoint three new trustees.

The board of trustees has formally met eight times during the year, with the final four meetings of the year being held via Zoom, due to the COVID-19 emergency. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr M Reddy, Chair of Trustees	8	8
Mr P Shire	8	8
Mr S Rees	7	8
Dr P Shepherd	6	8
Mr J Eccleston	8	8
Mr M Kay, Chief Executive	8	8
Mr P McDermott	5	8
Ms L Broadley	8	8
Mrs C McDermott	8	8
Mr A Lord	6	7
Mrs J Kaye	7	7
Mrs C Spencer	4	6
Mr A Hunt	0	0
Mr D Clarke	0	0

The Finance, Risk and Audit Committee (FRAC) is a sub-committee of the main board of trustees. Its purpose is to:

- Plan and approve a balanced 4-year budget and monitor spending to ensure the economic, efficient and effective use of resources.
- Plan major and capital expenditure over the next four years
- Act as an Audit Committee whose main purpose is to ensure that sound internal control and risk management processes are in place.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J Kaye - Chair	3	3
Mr P Shire	3	3
Mr S Rees	2	3
Mr J Eccleston	3	3
Mr A Hunt	0	0
Mr D Clarke	0	0

Review of value for money

As accounting officer, the Chief Executive Officer 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. The accounting officer for the academy trust has delivered improved value for money during the year by:

Continuing to include in its four-year plan an assumption that:

- (a) Per pupil-led funding will remain at its current rate, and academies would be expected to increase other income or reduce expenditure, to maintain a balanced budget
- (b) The Teachers' Pay Grant (TPG), introduced in 2018/19 to support above inflation pay increases for teachers with effect from 1 September 2018, will only fill the gap between what schools should be expected to budget for (1% in 2018/19, 2% in 2019/20) and further more will be reduced by 50% in 2021/22.
- (c) Annual inflation will be 3% including annual salary costs and the cost of teachers' performance-related pay and support staffs' NJC time-dependent scale increases.
- (d) The Teachers' Employers Contribution Pension Grant (TECPG) introduced in 2019/20 to support the marked increase in Teachers' Pension Scheme contributions by the employer (from 16.4% to 23.4%) with effect from 1 September 2019, will be reduced by 1 percentage point each year till fully removed by 2028/29.

The necessity remained therefore for trustees and senior school managers to rigorously apply the principles of Best Value - the Four Cs: Consult, Challenge, Compare, Compete - and always ensure that all income received and expenditure made represented excellent Value For Money - the Three Es: Effectiveness, Efficiency, Economy.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Value For Money is normally best measured by school performance, and the continuous improvement by our schools in the progress made by pupils throughout each year group and key stage. The Covid-19 pandemic stopped all external and internal examinations and progress tests in the 2020 Summer Term, and as such there are no independent empirical measures of any school's performance in this accounting period. Consequently, we are reliant on anecdotal and internal assessment of pupils' progress. Impact's executive and school leadership are certain that the trends over time of improved teaching, learning, progress and attainment, has been maintained in all its settings, and that Value For Money, for our pupils, their families and communities, has been delivered at all times when pupils have been able to attend school, and on virtual and other remote systems when they have been learning at home.

In addition, typical examples of applying best value and attaining value for money included but were not limited to:

- (i) Continuing a curriculum-informed approach to financial planning to ensure curriculums are planned that are affordable within the context of each academy.
- (ii) Ensuring at least three quotes were received for all non-specialist and non-statutory expenditure above £10,000.
- (iii) Ensuring a tendering process was applied rigorously for the award of contracts above £100,000.
- (iv) Using financial KPIs in each budget setting such as Pupil Teacher Ratio (PTR), Pupil Support Ratio (PSR), and resources spending per pupil, and use of Dfe/SRMA financial resource dashboards to compare Impact schools with each other, and with similar schools in England and Wales.

The purpose of the system of internal control

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

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 Risk and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided to appoint RSM Risk Assurance Services LLP as internal auditor.

The internal auditor's role included 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:

- Key Financial Controls
- Risk Management
- Payroll

On an annual or termly basis as determined by the Finance, Risk and Audit Committee, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. In this accounting period, and due to the timing of converter academies joining the trust, each academy and the central trust finance function, had an audit of its core financial procedures and systems in the last term of the school year. All findings were reported to the FRAC including recommendation of management actions to correct exceptions and improve systems and the design of controls. The FRAC who the executive to account to implement these changes in a timely manner, and will look for independent assurance in the next audit cycle that all additional measures are in place and fully effective.

Review of effectiveness

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

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

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of trustees and signed on their behalf by:


M Reddy (Dec 15, 2020 12:06 GMT)

.....
Dr Mike Reddy
Chair of Trustees

Date: Dec 15, 2020



.....
Mr M Kay
Accounting Officer

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Impact Education Multi 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.

M. Kay

Mr M Kay
Accounting Officer

Date: Dec 15, 2020

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 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 and signed on its behalf by:


M Reddy (Dec 15, 2020 12:06 GMT)

.....
Dr M Reddy
Chair of Trustees

Date: Dec 15, 2020

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
IMPACT EDUCATION MULTI ACADEMY TRUST**

Opinion

We have audited the financial statements of Impact Education Multi 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 the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
IMPACT EDUCATION MULTI ACADEMY TRUST (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
IMPACT EDUCATION MULTI ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

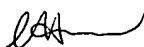
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lesley Kendrew (Senior statutory auditor)

for and on behalf of

BHP LLP

Statutory Auditors

New Chartford House

Centurion Way

Cleckheaton

BD19 3QB

Date: Dec 15, 2020

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO IMPACT
EDUCATION MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 6 April 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 Impact Education Multi Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Impact Education Multi 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 Impact Education Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Impact Education Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Impact Education Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Impact Education Multi Academy Trust's funding agreement with the Secretary of State for Education dated 31 July 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 year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Approach

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

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

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

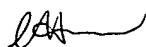
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives,
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions,
- checking that any related party transactions during the period are conducted at normal commercial rates,
- checking that academy trust expenditure is permitted by its funding agreement,
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook,
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook.

Conclusion

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



Lesley Kendrew

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: Dec 15, 2020

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants	3	82	(607)	1,293	768	9,902
Charitable activities	4	16	18,999	-	19,015	14,484
Other trading activities	5	136	33	-	169	173
Investments	6	4	-	-	4	1
Total income		238	18,425	1,293	19,956	24,560
Expenditure on:						
Charitable activities	8	130	19,513	1,047	20,690	15,886
Total expenditure		130	19,513	1,047	20,690	15,886
Net income/(expenditure)		108	(1,088)	246	(734)	8,674
Transfers between funds	18	(566)	-	566	-	-
Net movement in funds before other recognised gains/(losses)		(458)	(1,088)	812	(734)	8,674
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(494)	-	(494)	(2,992)
Net movement in funds		(458)	(1,582)	812	(1,228)	5,682
Reconciliation of funds:						
Total funds brought forward		1,053	(5,515)	21,043	16,581	10,899
Net movement in funds		(458)	(1,582)	812	(1,228)	5,682
Total funds carried forward		595	(7,097)	21,855	15,353	16,581

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

The notes on pages 36 to 62 form part of these financial statements.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08529006

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	15	21,650	21,043
		<u>21,650</u>	<u>21,043</u>
Current assets			
Debtors	16	1,171	818
Cash at bank and in hand		2,409	2,240
		<u>3,580</u>	<u>3,058</u>
Creditors: amounts falling due within one year	17	(1,426)	(1,129)
Net current assets		<u>2,154</u>	<u>1,929</u>
Total assets less current liabilities		<u>23,804</u>	<u>22,972</u>
Net assets excluding pension liability		<u>23,804</u>	<u>22,972</u>
Defined benefit pension scheme liability	26	(8,451)	(6,391)
Total net assets		<u><u>15,353</u></u>	<u><u>16,581</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	21,855	21,043
Restricted income funds	18	1,354	876
		<u>23,209</u>	<u>21,919</u>
Restricted funds excluding pension asset	18	23,209	21,919
Pension reserve	18	(8,451)	(6,391)
Total restricted funds	18	<u>14,758</u>	<u>15,528</u>
Unrestricted income funds			
General funds	18	595	1,053
Total unrestricted income funds	18	<u>595</u>	<u>1,053</u>
Total funds		<u><u>15,353</u></u>	<u><u>16,581</u></u>

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08529006

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 31 to 62 were approved by the trustees, authorised for issue and are signed on their behalf, by:


Dr M Reddy (Dec 15, 2020 12:06 GMT)

Dr M Reddy
Chair of Trustees

Date: Dec 15, 2020

The notes on pages 36 to 62 form part of these financial statements.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	430	58
Cash flows from investing activities	22	(347)	(374)
Cash flows from financing activities	21	86	2,224
Change in cash and cash equivalents in the year		169	1,908
Cash and cash equivalents at the beginning of the year		2,240	332
Cash and cash equivalents at the end of the year	23	2,409	2,240

The notes on pages 36 to 62 form part of these financial statements

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Impact Education Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 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 (GAG) is recognised in full in the Statement of Financial Activities in the period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

• **Donations**

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

• **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

These are costs incurred on the academy 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.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Government grants

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

1.6 Interest receivable

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

1.7 Tangible fixed assets

Assets costing £2,000 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 and leasehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- Up to 50 yrs as determined by a valuation and estimated useful economic life (UEL) at the point of acquisition or donation
Long-term leasehold property	- Up to 50 yrs as determined by a valuation and estimated useful economic life (UEL) at the point of acquisition or donation
Furniture and equipment	- Over 4 years
Computer equipment	- Over 4 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.8 Debtors

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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.

1.13 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations	-	4	(2)	2	4
Capital Grants	-	-	346	346	100
Transfer on Conversion from LA	82	(611)	949	420	4,350
Transfer of Existing Academies	-	-	-	-	5,448
	<u>82</u>	<u>(607)</u>	<u>1,293</u>	<u>768</u>	<u>9,902</u>
<i>Total 2019</i>	<u>1,211</u>	<u>(1,347)</u>	<u>10,038</u>	<u>9,902</u>	

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

4. Funding for the academy trust's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant	-	15,411	15,411	12,938
Other DfE/EFA Grants	16	2,530	2,546	1,233
Local Authority Grants	-	1,058	1,058	313
	<u>16</u>	<u>18,999</u>	<u>19,015</u>	<u>14,484</u>
<i>Total 2019</i>	<u>-</u>	<u>14,484</u>	<u>14,484</u>	

5. Income from other trading activities

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Educational visits income	-	33	33	47
Insurance claims	-	-	-	5
Income from facilities and services	136	-	136	121
	<u>136</u>	<u>33</u>	<u>169</u>	<u>173</u>
<i>Total 2019</i>	<u>126</u>	<u>47</u>	<u>173</u>	

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

6. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Short term deposits	4	4	1
<i>Total 2019</i>	<i>1</i>	<i>1</i>	

7. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Education:					
Direct costs	12,964	-	2,291	15,255	11,743
Allocated support costs	2,668	1,657	1,110	5,435	4,143
	15,632	1,657	3,401	20,690	15,886
<i>Total 2019</i>	<i>12,026</i>	<i>1,367</i>	<i>2,493</i>	<i>15,886</i>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Education	130	20,560	20,690	15,886
<i>Total 2019</i>	<i>-</i>	<i>15,886</i>	<i>15,886</i>	

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Education	15,255	5,435	20,690	15,886

Analysis of support costs

	Education 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Staff costs	2,690	2,690	1,973
Depreciation	130	130	91
Premises Costs	1,657	1,657	1,367
Governance Costs	62	62	32
Other Support Costs	896	896	680
	<u>5,435</u>	<u>5,435</u>	<u>4,143</u>
<i>Total 2019</i>	<u>4,143</u>	<u>4,143</u>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £000	2019 £000
Operating lease rentals	69	647
Depreciation of tangible fixed assets	1,036	912
Fees paid to auditors for:		
- audit	15	24
- other services	2	5

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2020 £000	2019 £000
Wages and salaries	11,426	8,726
Social security costs	1,092	832
Pension costs	3,135	1,933
	<u>15,653</u>	<u>11,491</u>
Agency staff costs	318	409
Staff restructuring costs	40	126
	<u>16,011</u>	<u>12,026</u>

Staff restructuring costs comprise:

	2020 £000	2019 £000
Redundancy payments	16	71
Severance payments	24	55
	<u>40</u>	<u>126</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	175	181
Administration and support	233	214
Management	24	24
	<u>432</u>	<u>419</u>

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

11. Staff costs (continued)

c. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	9	6
In the band £70,001 - £80,000	4	1
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and executive team as listed on page 1. The total amount of employee benefits (including employer contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £843,147 (2019 - £539,105).

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

12. Central services

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

- Payroll
- HR and pensions administration
- HR support, employee wellbeing and occupational health
- TES Gold recruitment package
- Finance system, training and support
- Budget setting, monitoring, control and benchmarking
- Financial reporting
- Internal audit
- External audit of financial statements, TPS, EOYC, AAR and BF3YO
- Risk management
- Conversion project management
- Strategic academy improvement
- Bespoke leadership, coaching and development
- Safeguarding review and support
- Health and safety management support

The academy trust charges for these services on the following basis:

Schools rated Ofsted Good and Outstanding - 4.5% of GAG only

Schools rated as Inadequate or Requiring Improvement - 6.5% of GAG only

The actual amounts charged during the year were as follows:

	2020 £000	2019 £000
The Halifax Academy	345	324
Castle Hall Academy	276	288
Warley Road Primary Academy	106	53
The Whitley AP Academy	36	3
Old Bank Academy	23	-
Total	786	668

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

13. 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 CEO and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

		2020	2019
		£000	£000
Mr M Kay, Chief Executive	Remuneration	130 - 135	125 - 130
	Pension contributions paid	30 - 35	20 - 25

During the year ended 31 August 2020, expenses totalling £659 were reimbursed or paid directly to 1 trustee (2019 - £794 to 1 trustee).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £5,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the trust's insurance policy. The cost of this insurance is included in the total insurance cost.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

15. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2019	5,571	18,018	147	387	24,123
Additions	263	233	50	147	693
Transfers on conversion	-	949	-	-	949
At 31 August 2020	5,834	19,200	197	534	25,765
Depreciation					
At 1 September 2019	390	2,340	76	274	3,080
Charge for the year	407	499	44	85	1,035
At 31 August 2020	797	2,839	120	359	4,115
Net book value					
At 31 August 2020	5,037	16,361	77	175	21,650
At 31 August 2019	5,181	15,678	71	113	21,043

16. Debtors

	2020 £000	2019 £000
Due within one year		
Trade debtors	-	35
Other debtors	368	221
Prepayments and accrued income	803	562
	1,171	818

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

17. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Trade creditors	283	184
Other creditors	315	364
Accruals and deferred income	828	581
	<u>1,426</u>	<u>1,129</u>
	<u><u>1,426</u></u>	<u><u>1,129</u></u>
	2020	2019
	£000	£000
Deferred income at 1 September 2019	196	39
Resources deferred during the year	226	196
Amounts released from previous periods	(196)	(39)
	<u>226</u>	<u>196</u>
	<u><u>226</u></u>	<u><u>196</u></u>

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	1,053	238	(130)	(566)	-	595
Restricted general funds						
GAG	829	15,411	(15,358)	-	-	882
Other restricted income	47	1,275	(850)	-	-	472
Pupil Premium	-	1,027	(1,027)	-	-	-
Other Dfe/ESFA	-	1,323	(1,323)	-	-	-
Pension reserve	(6,391)	(611)	(955)	-	(494)	(8,451)
	<u>(5,515)</u>	<u>18,425</u>	<u>(19,513)</u>	<u>-</u>	<u>(494)</u>	<u>(7,097)</u>
Restricted fixed asset funds						
Transfer on conversion	15,280	949	(1,036)	-	-	15,193
Transfers from unrestricted funds	476	-	-	566	-	1,042
Transfer from existing academies	5,287	-	-	-	-	5,287
DfE Group capital grants	-	344	(11)	-	-	333
	<u>21,043</u>	<u>1,293</u>	<u>(1,047)</u>	<u>566</u>	<u>-</u>	<u>21,855</u>
Total Restricted funds	<u>15,528</u>	<u>19,718</u>	<u>(20,560)</u>	<u>566</u>	<u>(494)</u>	<u>14,758</u>
Total funds	<u>16,581</u>	<u>19,956</u>	<u>(20,690)</u>	<u>-</u>	<u>(494)</u>	<u>15,353</u>

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

Impact Education Multi Academy Trust receives pupil-led funding (principally GAG) and other revenue grants, under recognised local and national formulae, from DfE and Local Authority. Similarly it receives Devolved Formula Capital (DFC) and other capital grants, from DfE, for capital purchases. Both revenue and capital grant funds are limited to their use and in the period of account were used for education provision and the pursuit of the trust's Charitable objectives as laid out in its Funding Agreement with the Secretary of State.

In the year ending 31 August 2020 revenue and capital funding was sufficient to meet the trust's expenditure budget, including the transfer of £566k to the Restricted Fixed Asset fund, to purchase fixed assets. Excluding pension funds, there was a surplus balance of restricted revenue income over expenditure of £478k (2019 - £876k) and a surplus balance of unrestricted revenue income over expenditure of £108k (2019 - £1,053k). However, the transfer of £566k to Restricted Fixed Asset Fund has reduced the carried forward unrestricted funds.

The pension fund deficit is based on an actuarial valuation of the trusts' assets and liabilities held within the LGPS as at 31 August 2020, details of which are included in note 26. In the accounting period, the fund deficit has increased from £6,391k to £8,451k. This occurred due to a combination of inflation pressures on actuarial assumptions incurring actuarial losses of £494k, and also deficits in the value of funds transferred-in from Old Bank Academy of £611k.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£000	£000
The Halifax Academy	750	668
Castle Hall Academy	194	288
Warley Road Primary Academy	770	851
The Whitley AP Academy	65	72
Central Services	38	50
Old Bank Academy	132	-
Total before fixed asset funds and pension reserve	1,949	1,929
Restricted fixed asset fund	21,855	21,043
Pension reserve	(8,451)	(6,391)
Total	15,353	16,581

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
The Halifax Academy	6,211	567	407	1,336	8,521	7,307
Castle Hall Academy	3,562	391	339	377	4,669	4,799
Warley Road Primary Academy	2,656	364	74	236	3,330	1,461
The Whitley AP Academy	1,231	166	64	110	1,571	122
Central Services	248	258	25	615	1,146	641
Old Bank Academy	317	39	9	52	417	-
Academy trust	14,225	1,785	918	2,726	19,654	14,330

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

	<i>1 September 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>31 August 2019 £000</i>
Unrestricted funds						
General Funds	191	1,338	-	(476)	-	1,053
Restricted general funds						
GAG	72	13,409	(12,652)	-	-	829
Other Grants	-	1,546	(1,546)	-	-	-
Other income	-	47	-	-	-	47
Pension reserve	(905)	(1,818)	(676)	-	(2,992)	(6,391)
	(833)	13,184	(14,874)	-	(2,992)	(5,515)
Restricted fixed asset funds						
Transfer on conversion	11,541	4,651	(912)	-	-	15,280
Transfers from unrestricted funds	-	-	-	476	-	476
Transfer from existing academies	-	5,287	-	-	-	5,287
DfE Group capital grants	-	100	(100)	-	-	-
	11,541	10,038	(1,012)	476	-	21,043
Total Restricted funds	10,708	23,222	(15,886)	476	(2,992)	15,528
Total funds	10,899	24,560	(15,886)	-	(2,992)	16,581

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	21,650	21,650
Current assets	595	2,780	205	3,580
Creditors due within one year	-	(1,426)	-	(1,426)
Provisions for liabilities and charges	-	(8,451)	-	(8,451)
Total	595	(7,097)	21,855	15,353

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	21,043	21,043
Current assets	1,053	2,005	-	3,058
Creditors due within one year	-	(1,129)	-	(1,129)
Provisions for liabilities and charges	-	(6,391)	-	(6,391)
Total	1,053	(5,515)	21,043	16,581

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

	2020 £000	2019 £000
Net (expenditure)/income for the period (as per Statement of financial activities)	(734)	8,674
Adjustments for:		
Depreciation	1,035	912
Capital grants from DfE and other capital income	(346)	(100)
Interest receivable	(4)	(1)
Defined benefit pension scheme obligation inherited	611	1,818
Defined benefit pension scheme cost less contributions payable	833	550
Defined benefit pension scheme finance cost	122	126
Increase in debtors	(353)	(582)
Increase in creditors	297	822
Cash received on conversion to an academy	(82)	(929)
Cash received from transfer in of an academy trust	-	(1,294)
Fixed assets received on conversion to an academy	(949)	(9,938)
Net cash provided by operating activities	430	58

21. Cash flows from financing activities

	2020 £000	2019 £000
Cash and cash equivalents transferred on conversion	82	929
Cash and cash equivalents transferred in	-	1,294
Interest received	4	1
Net cash provided by financing activities	86	2,224

22. Cash flows from investing activities

	2020 £000	2019 £000
Purchase of tangible fixed assets	(693)	(474)
Capital grants from DfE Group	346	100
Net cash used in investing activities	(347)	(374)

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

23. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	2,409	2,240
Total cash and cash equivalents	2,409	2,240

24. Conversion to an academy trust

On 1st April 2020 Old Bank Junior Infant and Nursery School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Impact Education Multi Academy Trust from Kirklees MBC local authority for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Leasehold land and buildings	-	-	949	949
Current assets				
Cash in hand	82	-	-	82
Non-current liabilities				
Pension liability	-	(611)	-	(611)
Net assets/(liabilities)	82	(611)	949	420

25. Capital commitments

	2020 £000	2019 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	265	-

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

26. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

26. Pension commitments (continued)

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

The employer's pension costs paid to TPS in the year amounted to £1,686,000 (2019 - £909,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £650,000 (2019 - £483,225), of which employer's contributions totalled £474,000 (2019 - £348,447) and employees' contributions totalled £ 176,000 (2019 - £134,808). The agreed contribution rates for future years are 16.4 per cent for employers and 12.5 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

	2020 %	2019 %
Rate of increase in salaries	3.55	3.35
Rate of increase for pensions in payment/inflation	2.3	2.1
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.3	2.1

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

	2020 Years	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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

26. Pension commitments (continued)

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	16,954	14,098
Discount rate -0.1%	17,860	14,785
Mortality assumption - 1 year increase	16,780	13,961
Mortality assumption - 1 year decrease	18,051	14,918
CPI rate +0.1%	17,459	14,663
CPI rate -0.1%	17,355	14,215

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

	At 31 August 2020 £000	At 31 August 2019 £000
Equities	6,968	6,243
Gilts	869	845
Corporate bonds	448	362
Property	385	354
Cash and other liquid assets	152	153
Other	134	89
Total market value of assets	8,956	8,046

The actual return on scheme assets was £239,000 (2019 - £235,000).

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

	2020 £000	2019 £000
Current service cost	1,280	644
Past service cost	27	255
Interest cost	122	126
Administrative expenses	-	10
Total amount recognised in the Statement of Financial Activities	1,429	1,035

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

26. Pension commitments (continued)

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

	2020 £000	2019 £000
At 1 September	14,437	3,655
Transferred in on existing academies joining the trust	1,283	6,593
Interest cost	285	225
Employee contributions	176	146
Actuarial losses	92	3,128
Benefits paid	(173)	(219)
Past service costs	27	255
Current service cost	1,280	654
At 31 August	17,407	14,437

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

	2020 £000	2019 £000
At 1 September	8,046	2,750
Transferred in on existing academies joining the trust	672	4,775
Interest income	163	99
Actuarial (losses)/gains	(402)	136
Employer contributions	474	359
Employee contributions	176	146
Benefits paid	(173)	(219)
At 31 August	8,956	8,046

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

27. Operating lease commitments

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

	2020 £000	2019 £000
Not later than 1 year	849	634
Later than 1 year and not later than 5 years	3,175	2,632
Later than 5 years	4,324	4,147
	<u>8,348</u>	<u>7,413</u>

28. Members' liability

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

29. Related party transactions

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

	2020 £000
Learn2Lead2Succeed Ltd	7
	<u>7</u>

Learn2Lead2Succeed Ltd supplied safeguarding audits at all the academies in the trust, and was a related party due to the shareholding and directorship held by P McDermott who served as a trustee of Impact Education Multi Academy Trust until his resignation on 31 August 2020.

In entering into the transactions above the trust has complied with the requirements of the Academies Financial Handbook 2019. Other related party transactions relating to trustees' remuneration and expenses are already disclosed in note 13.

In the accounting period to 31 August 2019, no related party transactions took place.