

MATRIX ACADEMY TRUST
(A Company Limited by Guarantee)

Annual Report and Financial Statements
for the Year Ended 31 August 2020

Company Registration Number: 07654219 (England & Wales)

MATRIX ACADEMY TRUST

Annual Report and Financial Statements
for the Year Ended 31 August 2020

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MATRIX ACADEMY TRUST

Reference and Administrative Details
for the Year Ended 31 August 2020

Members	Mr J Bench Mr I Bidmead Mr S Smith Bishop Derek Webley MBE DL Professor Carl Chinn MBE (appointed 20/05/2020)
Trustees / Directors	Mr J Bench (Chairman) Dame Maureen Brennan Ms D Park Mr S Smith Mr S White Sir Mark Aspinall Mrs D Williams Mr A Heath
Company Secretary	Miss M Thomason
Senior Leadership Team	Dame Maureen Brennan (Chief Executive & Accounting Officer) Mrs L Draycott (Head teacher) Mr I Smith (Head teacher) Mr A Seager (Head teacher) Mrs S Davies (Head teacher) (resigned 31/08/2020) Ms S Shepherd (Head teacher) (appointed 01/09/2020) Mr M Dunn (Head teacher) Mr R Doidge (Chief Financial Officer) Mr R Nicholls (Network Manager) Mrs L Doidge (HR Manager) Miss J Newsome (Leadership Consultant) Mrs Y Willis (Primary Leadership Consultant) Mr K Shilton (SCITT Director) Mr G Smart (Facilities Manager)
Company Name Academies Operated	Matrix Academy Trust Barr Beacon School, Aldridge, West Midlands Etone College, Nuneaton, Warwickshire Bloxwich Academy, Bloxwich, West Midlands Dame Elizabeth Cadbury School, Bournville, Birmingham
Principal and Registered Office	Leamore Lane Bloxwich Walsall, WS2 7PS
Company Registration Number	07654219 (England & Wales)
Independent Auditor	Haines Watts Birmingham LLP 5-6 Greenfield Crescent Edgbaston Birmingham, B15 3BE
Bankers	Lloyds Bank 595 Kingstanding Road Birmingham, B44 9TB
Solicitors	Browne Jacobson Victoria Square House, Victoria Square Birmingham, B2 4BU

MATRIX ACADEMY TRUST

Trustees' Report for the Year Ended 31 August 2020

The Trustees of Matrix Academy Trust present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

Matrix Academy Trust operates 3 secondary academies and an all through academy in the West Midlands. Its academies have a combined pupil capacity of 4637 and had a roll of 4598 in the school census October 2020.

Barr Beacon School	11-18	Walsall
Bloxwich Academy	3-18	Walsall
Etone College	11-18	Warwickshire
Dame Elizabeth Cadbury School	11-18	Birmingham

Structure, Governance and Management

Constitution

Matrix Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Matrix Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Matrix Academy Trust (company number 07654219).

The Charitable Company was incorporated on 1 June 2011 under the name Barr Beacon School Trust. On 1 July 2011, Barr Beacon School converted to Academy Trust status under the Academies Act 2010 and all the operations, assets and liabilities were transferred to the Charitable Company from Walsall Local Authority. Barr Beacon School was designated an outstanding school in January 2014.

On 6 December 2013, Barr Beacon School Trust was renamed Matrix Academy Trust and converted into a Multi Academy Trust on 1 February 2014.

On 1 February 2014, Etone College transferred all of its operations, assets and liabilities to Matrix Academy Trust. Etone College had itself converted from a Local Authority School to an Academy Trust on 1 January 2012. Etone College had been placed in special measures in April 2013. Etone College was recognised as good in all categories by Ofsted in January 2017.

On 1 April 2015, The Mirus Academy (Walsall College Academies Trust) transferred all of its operations, assets and liabilities to Matrix Academy Trust. The Mirus Academy (Walsall College Academies Trust) had itself converted from a Local Authority School to an Academy Trust on 1 January 2012. The Mirus Academy has now changed its name to Bloxwich Academy. The Mirus Academy had been placed in special measures in November 2013. Bloxwich Academy was removed from special measures and recognised as requires improvement with good rated for Behaviour and Post-16 in December 2017.

On 1 October 2016, Dame Elizabeth Cadbury Technology College transferred all of its operations, assets and liabilities to Matrix Academy Trust. Dame Elizabeth Cadbury Technology College was a local authority school within Birmingham Local Authority. Dame Elizabeth Cadbury Technology College is now known as Dame Elizabeth Cadbury School. Dame Elizabeth Cadbury Technology College was recognised as a good school in November 2012.

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

Members' Liability

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

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006 every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of Trust in relation to the affairs of the Academy Trust.

A Trustee may benefit from any indemnity insurance purchased at the Academy Trust's expense to cover liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of duty which they may be guilty in relation to the Academy Trust: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of Trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of Trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust.

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative for insurance where the UK government funds cover losses that arise. The scheme protects Members, Trustees and Governors offering cover up to £10,000,000 (£10Million)

Method of Recruiting and Appointment or Election of Trustees

The processes for appointing or electing the various types of Trustee at Matrix Academy Trust are as follows:

The Members shall appoint and may remove up to 5 Trustees.

Parent Trustees – There shall be a minimum of two Parent Trustees unless there are Local Governing Bodies which include at least two Parent Members.

Except for 16 - 19 Academies, Parent Trustees and Parent members of the Local Governing Bodies or Advisory Bodies shall be elected or appointed (in accordance with the terms of reference determined by the Trustees from time to time). The elected or appointed Parent Trustee or Parent members of the Local Governing Bodies or Advisory Bodies must be a parent of a registered pupil at one or more of the Academies (but not one of the 16- 19 Academies) at the time when he/she is elected or appointed.

The number of Parent Trustees and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Trustees and Parent members appointed by the Trustees if the number of parents standing for election is less than the number of vacancies.

The Trustees shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Trustee or Parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies (but not one of the 16 - 19 Academies). Any election of the Parent Trustees or Parent members of Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

In appointing a Parent Trustee or Parent member of a Local Governing Body or Advisory Body the Trustees shall appoint a person who is the parent of a registered pupil at an Academy (but not one of the 16-19 Academies); or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

In the case of 16-19 Academies, Parent Trustees and Parent members of the Local Governing Bodies or Advisory Bodies shall either be elected by parents of registered students at the 16 to 19 Academies, pursuant to Articles 56B to 56C, or be appointed by the Trustees/Advisory Bodies/Local Governing Bodies, pursuant to Article 56D. The elected or appointed Parent Trustees or Parent members of the Local Governing Bodies or Advisory Bodies must be a parent of a student at one of the 16 to 19 Academies at the time when he is either elected or appointed.

The number of Parent Trustees and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Trustees and Parent members appointed by the Trustees/Advisory Bodies/Local Governing Bodies if the number of parents standing for election is less than the number of vacancies.

The Trustees shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Trustees or Parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered student at one of the 16-19 Academies. Any election of the Parent Trustees or Parent members of Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Method of Recruiting and Appointment or Election of Trustees (continued)

In appointing a Parent Trustee or Parent member of a Local Governing Body or Advisory Body, the Trustees/Advisory Bodies/Local Governing Bodies shall appoint a person who is the parent of a registered student at one of the 16 to 19 Academies; or where it is not reasonably practical to do so, a person who is the parent of a child above compulsory school age but not above the age of 19.

The Chief Executive shall be a Trustee for as long as he/she shall remain in office as such.

Term of Office - The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Chief Executive. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

Following their appointment/election, all new Trustees will receive an introduction to their role from the Chairman and Chief Executive/Headteacher, this introduction includes a tour of the School site(s), the opportunity to meet other members of the Leadership Team and support from the Trustees.

The Board of Trustees is committed to providing opportunities for Trustees to undertake and receive suitable training so as to enable them to undertake their role more effectively.

Trustees with specific roles within the Board of Trustees are encouraged to undertake specific training.

Organisational Structure

Matrix Academy Trust is a Multi Academy Trust with four individual schools forming that Trust, Barr Beacon School, Etone College, Bloxwich Academy and Dame Elizabeth Cadbury School.

The Board of Trustees are responsible for the strategic oversight of the Trust. Operational management is the responsibility of the Chief Executive and staff. At Matrix Academy Trust the majority of roles and responsibilities of the Board of Trustees are dealt with at full Board of Trustees meetings. The Board of Trustees support the Accounting Officer in the performance of their duties. Where appropriate, duties are delegated to Local Governance Advisory Boards, committees and employees of the Trust, although the Board maintains overall control for the activities and performance of the Trust. There are a small number of delegating committees – Staff Dismissal, Pupil Discipline, Appeals, Audit & Risk, Pay and Headteacher Appraisal. Trust/school policies are developed by the Leadership and Central Support Team incorporating statutory requirements and reflecting strategic direction agreed by the Trustees.

Trustees formally approve and adopt policies and Leadership, together with staff, implement the agreed procedures and protocols.

Arrangements for setting pay and remuneration of key management personnel

Key Management Personnel within the Trust's academies include the Trustees, the Senior Leadership Team and the Central Support Team. Pay and remuneration is determined by the Trusts pay policy. Salaries are reviewed annually and can be changed during the year as per the Trust or individual school's needs.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	1,355.09
Total pay bill	19,118,121
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.007%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0.000%
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Related Parties and other Connected Charities and Organisations

Matrix Academy Trust has strong connections with a number of universities for both pupil and staff engagement.

Barr Beacon SCITT completed its fourth year with 33 colleagues completing the programme leaving with good or outstanding features. Matrix Academy Trust is a hub with the TES Institute for the Straight to Teach Programme. Matrix Academy Trust also provided numerous school experience placement days.

Matrix Academy Trust offered support to a number of schools in the form of visiting its academies to view good practice, along with supporting schools remotely via video conferencing. Matrix Academy Trust also providing advice and guidance to colleagues from other schools.

Evolve Teaching School Alliance, based at Barr Beacon School has been a designated Teaching School since September 2014, and is a partnership working within and beyond our locality. The Alliance partnership offers a network of Primary and Secondary schools that collaborate effectively to share first hand outstanding training and practice in a variety of different specialisms. Evolve Teaching School Alliance Limited is also a member of the Black Country Teaching School Group.

The Chair of Trustees is a National Leader of Governance (NLG). He offers support to other governing bodies and has chaired an Interim Executive Board in a Walsall School in special measures.

The Chief Executive as a National Leader in Education (NLE) leads on pupil premium reviews together with Barr Beacon School as a National Support School (NSS). On 1 November 2017, the Chief Executive was elected onto the head teacher's board for the west midlands working with the regional school's commissioner.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Engagement with employees (including disabled persons)

Matrix Academy Trust understands its success and ability to fulfil its goals and ambitions depends significantly on the commitment of the workforce. Matrix Academy Trust has maintained and developed arrangements aimed at providing employees with information on matters of concern to them. This includes regular bulletins by the CEO and senior management along with access to the following documents on SharePoint:

Staff Policy; Code of Conduct, relevant risk assessments; Safeguarding Policy; COVID-19 policies and procedures; Pay Policy; Equality and Diversity Information and Objectives (encompassing protected characteristics e.g. age, disability, race etc.), along with all Finance, HR, Facilities and IT sections detailing policies, procedures, training and forms. Matrix Academy Trust utilises SharePoint as a staff intranet site to aid in collaboration and engagement with all employees. Employees are consulted regularly at school and Trust level so that their views can be considered in making decisions, which are likely to affect their interests. Matrix Academy Trust encourages employees to become involved in its performance by contributing to strategic meetings for safeguarding, careers, SEND and core subjects, as a Trust we also offer a NQT and middle leaders conference on an annual basis where policies, processes and ideas can be developed and discussed. Regular correspondence is issued from the HR and Payroll department to all staff regarding remuneration.

Engagement with suppliers, customers and others in a business relationship with the Trust

Matrix Academy Trust fosters good business relationships with supplier, customers and others by treating them as equals, building, developing and maintaining good relationships, ensuring that business relationships are conducted in an open, transparent and honest manner following and complying with the relevant policies and regulations to ensure legal compliance. Matrix Academy Trust followed the government action note PPN02/2020 during the coronavirus pandemic to support the Trust's supply chain.

Objectives and Activities

Objects and Aims

The principal object and activity of Matrix Academy Trust is to advance for public benefit the provision of education in the United Kingdom. In doing so it meets the requirements of the Funding Agreement signed by the Secretary of State for Education. It provides a balanced and broad curriculum and meets the requirements of the Schools Admissions Code in drawing up its own Admissions Policy. The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit.

The main objectives of the Trust for the year ended 31 August 2020 are summarised as follows: -

- to provide the highest quality education for all its pupils;
- to safeguard all pupils and staff;
- to provide value for money for the funds expended;
- to ensure that the Trust is suitably staffed;
- to comply with all statutory and curriculum requirements;
- to develop and maintain links with local industry and the wider community, including working with other educational establishments;
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness;
- to provide quality training for trainee teachers to improve the workforce of all schools within the Trust and their local communities.

Objectives Strategies and Activities

Matrix Academy Trust aims to create a family of schools within the West Midlands, working collaboratively for the common good. Matrix Academy Trust does not intend to discriminate against any schools wishing to join the Trust, and will accept, according to inspection regimes, those in outstanding and special measures category; additionally, the Trust intends to achieve a mixture of sizes and phase schools as partners.

Matrix Academy Trust is aiming for regional regeneration through education, to help raise standards and aspirations of young people in the area. We want to work in collaboration with schools, not to impose. We see Matrix Academy Trust sharing success and best practice, whilst retaining individuality.

Our structured development and improvement process is built on the results the senior leadership team have achieved in education, helping to build a bespoke action plan to address school performance and improve the life chances of pupils.

The training of teachers and improvement of the workforce through our SCITT programme and 'grow your own' strategy, professional development, support and commitment to teacher training. Matrix Academy Trust aim to reduce regional staff shortages, especially in specialist subjects.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Equality & Diversity Policy

The overall objective of Matrix Academy Trust's Equality and Diversity Policy is to provide a framework for its academies to pursue its equality duties to eliminate unlawful discrimination and harassment; promote equality of opportunity; and promote good relations and positive attitudes between people of diverse backgrounds in all of its activities.

The principles of this policy apply to all members of the extended Trust's community - pupils, staff, the Board of Trustees, parents, volunteers and community members. Partners and contractors are also expected to abide by the policy.

We will not tolerate less favourable treatment of anyone on the grounds of gender, race, disability, sexual orientation, age, and religion or belief.

Through our school ethos', curriculum and community links, we will work towards -

- a common vision;
- a sense of belonging for all;
- similar life opportunities for all;
- strong and positive relationships between different communities.

Equality and Diversity is more than just meeting legal obligations or targets. It's about making a difference to the lives of the communities we serve, treating all people with dignity and respect, and recognising the value of each individual. This means an on-going commitment to ensuring that our services meet the varied and individual needs of pupils in our schools.

Public Benefit

The Trustees confirm that they have complied with their duty to have due regard to public benefit guidance published by the Charity Commission for England & Wales. The Trustees have referred to the Charities Commission's general guidance on public benefit when reviewing the Trust's objectives and aims and in planning future activities for the year. The Trust's academies continue to be at the heart of their community, promoting community cohesion and sharing facilities with the wider community.

Strategic Report

Achievements and Performance

In the year leading up to 31 August 2020 the following was achieved by Matrix Academy Trust: -

- Ofsted continues to rank all schools behaviour as good or outstanding
- Increased pupils going to a Russell University across the Trust, 177 pupils attended university and 34 were Russell Group Universities
- Etone College recognised by local primary schools for partnership work undertaken
- Dame Elizabeth Cadbury School continued to share good practice with other local schools particularly in safeguarding
- Bloxwich Academy year 7 numbers continue to increase due to increased popularity of the school
- The Trust has organised shared visits nationally and internationally for its schools including Erasmus projects
- The Teaching School is successfully creating strong relationships within its alliance with increased schools joining the alliance
- All schools within the Trust were fully staffed

2019-2020 was a mixed year for all schools but particularly for the Trust. Our schools have all grown in pupil numbers (164 extra pupils) and the increase in popularity is shown by the significant increase in the number of admission appeals in all four schools. In September 2019, the schools were all fully staffed with high quality teachers and the pupil predictions for Year 11 and 13 were showing a significant increase in outcomes. However, the impact of Covid-19 with the closure of schools and the cancellation of GCSE and A Levels prevented this significant increase from receiving external validation. All Trust schools predicted results at GCSE and A Level and most schools nationally showed a significant increase.

Covid-19 transformed our schools and the lockdown in March 2020 has resulted in changes to the curriculum, to its delivery, feeding of children, assessment and the complete totality of our schools. Both Teaching and Support staff responded very well to the ever-changing expectations placed upon them from the Government guidance. It is a tribute to the quality of Trust staff that safeguarding and remote teaching continued during the lockdown. Teaching staff managed to juggle Teams lessons with OAKs and PowerPoint lessons.

The quality of leadership in each school ensured the safety and wellbeing of our pupils.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Achievements and Performance (continued)

A small number of children of key workers were cared for on a daily basis in all schools. Meals were provided for disadvantaged children initially by the schools purchasing vouchers and then using the Government EdenRed scheme. Catering staff were furloughed.

Strategic planning became more reactive and July 2020 saw the lowest Teaching staff turnover in all schools.

The SCITT continued to grow and developed two primary packages for Early Years and Key Stage 1 and Key Stage 1 and Key Stage 2. The Teaching School continued to be engaged in the Early Career Framework, the 19/20 School Improvement Offer and the delivery of the School-to-School Support Recovery Offer. Evolve trained a cohort of 26 schools on Relationships and Sex Education. Cohort 2 is to commence in November 2020.

The Combined Cadet Force grew from strength to strength with Dame Elizabeth Cadbury and Etone College receiving their uniforms. There was 145 pupils in the Combined Cadet Forces across the four schools in 2019/2020. These numbers are continuing to grow for 2020/2021.

The Trust was awarded the Silver Award under the Defence Employer Recognition Scheme. Our aim for 2020/2021 is to be recognised for a Gold Award.

Lead Teachers from each school meet to share best practice in safeguarding, careers and SEND. Their discussions inform policy. Headteachers meet on a monthly basis to plan and respond to DfE guidance.

The Chief Executive Officer is a Headteacher elected member of the Headteacher Board for the West Midlands Regional Schools Commissioner office and the Black Country Teaching Schools Council Sub-Regional Lead.

Last year because of the Covid-19 outbreak and lockdown, the Duke of Edinburgh Award Expeditions could not take place. This meant that the Duke of Edinburgh Award Bronze, Silver and Gold cohorts could not complete their awards. It also made it more difficult for the pupils to complete their volunteering, physical and skills sections, despite adaptations made by the Duke of Edinburgh Awarding Body. This means that pupils will be completing their expeditions this academic year. Schools are also offering awards to a new cohort of pupils for 2020/2021.

The Trust continues to improve its buildings with an asset management plan, which includes maintenance, planned works, capital works and major capital works (CIF). The IT improvement plan is a three-year rolling programme of upgrading all IT facilities within our schools.

Achievements and Performance (continued)

Key Financial Performance Indicators

- Maintain a healthy financial balance
- Maintain a healthy school roll
- Increase catering revenue
- Increase efficiency of energy usage
- Increase usage of local suppliers
- Standardised reporting
- Reduce sickness/absence levels
- Continue to promote professional development of staff
- Continue to maintain a full complement of staff

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Impact of COVID-19 pandemic

COVID-19 has had a significant impact on many aspects of life at Matrix Academy Trust. All schools within Matrix Academy Trust remained open during the national lockdown period for vulnerable children and the children of key workers. Matrix Academy Trust then reopened to specific year groups from 15 June 2020 on a reduced basis and continued to offer a comprehensive remote learning package to all pupils. The dedication and passion shown by all staff to ensure this could happen showed the strength and ethos of Matrix Academy Trust. Matrix Academy Trust has developed COVID-19 risk assessments to support the opening of the schools. Measures have been implemented across all school sites to give staff and pupils all the protections required utilising current funds without the requirement to apply for exceptional costs associated with coronavirus from the ESFA. Matrix Academy Trust continues to incur additional costs maintaining high standards of health and safety aimed at preventing the spread of coronavirus.

Matrix Academy Trust has been required to cancel / reschedule the following due to COVID-19:

- School Proms
- Parents Evenings
- Sports Days
- School Shows
- Activities Week
- School Trips
- School Residential Trips
- External Examinations

Matrix Academy Trust has worked hard to mitigate the impact of coronavirus on staff and pupils through the following measures:

- Access to an employed counsellor;
- Ensuring that staff have kept in regular contact with pupils throughout;
- Providing a remote learning package for pupils across the Trust;
- Providing an appropriate curriculum;
- Ensuring that all schools have followed national guidance
- Developed a strategy to ensure social distancing e.g. one way systems and staggered starts
- FSM pupils supported through the national FSM voucher scheme;
- Supporting disadvantaged children.

Moving forward Matrix Academy Trust will continue to prioritise pupil and staff wellbeing. Our staff continue to work with dedication to ensure that the pupils within Matrix Academy Trust receive the best possible education.

Income generation activities in catering were suspended during the national lockdown. Claims were made for financial support under the coronavirus job retention scheme to pay wages for staff employed in this non grant funded area, all employees were paid their usual wage throughout the time they were furloughed.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that Matrix Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

The Trustees of Matrix Academy Trust promote the success of the Trust:

- ensuring that the Trust is promoted in the press and social media outlets;
- taking a strategic view so that the likely long-term consequence of any decision is considered fully;
- streamlining and standardising policies, procedures and systems;
- building and maintaining good business relationships with suppliers, customers and others;
- working closely in collaboration with other schools and Trusts;
- ensuring that the mental health and wellbeing of pupils and employees is a priority.
- supporting other Trusts by sharing best practice

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Financial Review

As shown in the Statement of Financial Activities on page 23, the combined Restricted General Fund and Unrestricted Fund show net income for the year of £1,984,000 (2019: net expenditure of £841,000). This is before the actuarial losses on defined benefit pension schemes and before a contribution of £512,000 towards capital expenditure in the year. Excluding the pension reserve, the combined Restricted General Fund and Unrestricted Fund show a carried forward balance of £5,680,000 as at 31 August 2020 (2019: £3,963,000).

The majority of the Trust's income is obtained from the Department for Education (DfE) in the form of recurrent grants. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown in the statement of financial activities.

Matrix Academy Trust received total income of £27,701,000 (2019: £27,856,000), of which £21,663,000 (2019: £21,081,000) was received from the DfE through the General Annual Grant (GAG). Other income totaled £6,038,000 (2019: £6,775,000) and was generated from income streams such as additional grant income, hire of facilities, student teacher programmes, catering income and capital income.

The Trust was also awarded £402,000 from the Condition Improvement Fund during the year ended 31 August 2020, for window replacement at Barr Beacon School and flat roof coverings at Bloxwich Academy in the 2019/2020 bids, and for flat roof coverings at Barr Beacon School and heating distribution at Bloxwich Academy in the 2020/2021 bids.

As indicated above, Matrix Academy Trust generates income through the hire of facilities and services through its Leisure Centre. For the year ended 31 August 2020 this income totaled £50,000 (2019: £29,000).

In the year ended 31 August 2020, there was a total expenditure of £26,770,000 (2019: £26,711,000) (note 6). Staff costs accounted for the majority of funds expended, which totaled £20,308,000 (2019: £19,466,000). (note 9).

The Trust's support staff (all non-teaching staff) are entitled to membership of their respective Local Government Pension Scheme. For the support staff at Barr Beacon School, Bloxwich Academy, Dame Elizabeth Cadbury School and Matrix Academy Trust (central team), this is the West Midlands Pension Fund which is administered by Wolverhampton City Council. For the support staff at Etone College, this is the Warwickshire Pension Fund which is administered by Warwickshire County Council. The appointed actuary of each scheme has assessed under FRS102 the Trust's share of the total deficit in those schemes as follows:- Barr Beacon School £2,607,000 (2019: £2,628,000); Bloxwich Academy £3,414,000 (2019: £3,541,000); Dame Elizabeth Cadbury School £3,341,000 (2019: £2,498,000); Matrix Academy Trust (central team) £1,025,000 (2019: £171,000); and Etone College £1,749,000 (2018: £1,542,000). The total LGPS deficit recognised in the Trust's financial statements is therefore £12,136,000 at 31 August 2020 (2019: £10,380,000).

The updating and management of the asset register (note 13) shows that we have total fixed assets at cost or valuation of £63,151,000 (2019: £62,158,000), including land and buildings with a value of £58,039,000 (2019: £57,406,000). Depreciation charges for the year totalled £1,534,000 (2019: £1,367,000) and are calculated on the straight line depreciation method at the rates set out in the accounting policies. The total net book value of assets at 31 August 2020 was £50,729,000 (2019: £51,270,000).

As defined in the Funding Agreement Articles of Association, no Trustee is employed by or receives any remuneration from the Academy Trust other than the Chief Executive. As defined, this clause only allows such a Trustee to receive remuneration or benefit from Matrix Academy Trust in his/her capacity as an employee of the Trust. Please refer to note 8 in the Notes to Financial Statements.

Reserves & Investments Policy

The main Board of Trustees review the resources of the Trust and recognise the need to have sufficient reserves to protect against reductions in funding. The reserves are held in line with DfE guidelines. The policy aims to carry forward sufficient funds to meet the Trust's long term aims and objectives, ensuring that this does not affect its current operational activities. The amount allocated to reserves is to accommodate and manage the lagged pupil funding due to a growth in pupil numbers, capital building developments and the uncertainty around government funding in the future.

The Trust's Unrestricted Funds increased by £121,000 in the year giving a reserves balance carried forward of £1,835,000 at 31 August 2020. At current levels, this represents less than one month's operating costs.

Matrix Academy Trust seeks to maximise returns from its investments, minimise risk and maintain flexibility and access to funds. Within the year ended 31 August 2020, Matrix Academy Trust received £7,000 interest on investments.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Financial and Risk Management Objectives and Policies

Risk is the threat that an event or action will adversely affect the Academy Trusts ability to achieve its objectives and to successfully execute its strategies. As such, risk management is an integral part of good governance and is a process whereby there is shared awareness and understanding within the Trust of:

- the nature and extent of the risks it faces
- the extent and categories of risks regarded as acceptable
- the likelihood and potential impacts of the risks materialising
- the ability to reduce the incidence and impact on the organisation of risks that do materialise
- regular and on-going monitoring and reporting of risk
- an appropriate assessment is made of the cost of operating particular controls relative to the benefit obtained in managing the related risk
- the Trust conducts, at least annually, a review of the effectiveness of the system of internal control in place

The Trust's system of internal control is part of its risk management process and has a key role to play in the management of significant risks to the fulfilment of its objectives. It also contributes to the safeguarding of public funds, the Trust's assets and promotion of best value. Internal control facilitates the effectiveness and efficiency of operations, helps to ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

The Trustees have adopted the Risk Registers based around those in the Academy's Handbook.

Risk Management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances.

The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to eliminate risk.

Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the following statement.

Statement on the System of Internal Financial Control

As Trustees, we acknowledge we have overall responsibility for ensuring Matrix Academy Trust has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records, which disclose with reasonable accuracy and at any time the financial position of the academy Trust and which enable us to ensure financial statements comply with the Companies Act. We also acknowledge responsibility for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that: -

- the Trust is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- the proper records are maintained and financial information used within the Trust is reliable;
- the Trust complies with relevant laws and regulations.

The Trust's system of internal financial control is based on a framework of regular management information and 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 Board of Trustees which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- delegation of authority and segregation of duties;
- Identification and management of risks

Principal Risks and Uncertainty

The principal risk areas are the protection of pupils, staff and assets as well as maintaining pupil numbers in order to manage the financial risks. Systems and procedures to minimise these are constantly being reviewed and updated.

MATRIX ACADEMY TRUST

Trustees' Report (continued) for the Year Ended 31 August 2020

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Trustees have a duty to report information on fundraising practices. The majority of the income of the Academy Trust is GAG funding from the ESFA to provide education. The Trust receives income from its lettings, catering and the Trust helps to support other like-minded organisations through the secondment of staff, consultation and training activities. Fundraising from the public is a minor part of the Trust's approach to raising money. The Trust does not use professional fundraisers or work with commercial participators except seeking specialist consultation support in preparation for grant applications. Voluntary contributions and donations are requested in accordance with the Charging and Remissions Policy in which we promise not to charge for education provided during school hours and to inform parents on low incomes and in receipt of relevant benefits of the support available to them when asking for contributions. Matrix Academy Trust and its academies are committed to ensuring equal opportunities for all pupils, regardless of financial circumstances, to ensure that no child is discriminated against by our offering of school trips, activities and educational extras. Voluntary contributions and donations help to support our efforts to help children live fulfilling and healthy lives. There have been no complaints about fundraising activity this year. All direct fundraising is undertaken by school representatives to ensure that it is not unreasonably intrusive or persistent.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	TOTAL Matrix Trust
Energy consumption used to calculate emissions (kWh)	235,530
Energy consumption break down (kWh) - Gas - Electricity	TRUST TOTAL GAS (kWh): 4,647,742 TRUST TOTAL ELECTRICITY (kWh): 1,937,308
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – minibuses <u>Total scope 1</u>	Trust Total Gas Consumption CO2e: 948,139 kgCO2 Trust Minibus Miles Total: 5949 CO2e = 3.8t Trust Total scope 1 CO2e: 952 tCO2
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	TRUST TOTAL Scope 2 (purchased electricity) CO2e: 451.4 t
<u>Scope 3 emissions in metric tonnes CO2e</u> Business Travel in employee owned vehicles	Trust Total Business miles: 4449 Scope 3 CO2e: 2.0t
Total gross emissions in metric tonnes CO2e	1,405.3 t
<u>Intensity ratio</u> Tonnes CO2e per pupil	0.32 t/pupil

MATRIX ACADEMY TRUST

Governance Statement for the Year Ended 31 August 2020

Streamlined Energy and Carbon Reporting (continued)

Qualification and Reporting Mythology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement:

The chosen intensity measurement ratio is a total gross emissions in metric tonnes CO₂e per pupil, recommended ratio for the sector.

Measures taken to improve energy efficiency:

Through a new energy management contract, (March 2020) smart meters have been fitted across school sites where possible. Increased use of Teams has resulted in less of a need for travel between sites. Through individual school Asset Management Plans (AMP) and estates strategy, the Trust has started a rolling programme of replacing lights with LED lighting. The Trust is currently investigating a Salix loan for the installation of LED lighting across one of its sites.

Plans for Future Periods

Matrix Academy Trust's plans for the future are to: -

- To raise achievement for all pupils in Key Stage 3, 4 and 5
- Continue the drive to have outstanding schools within the Trust
- Expand the Multi Academy Trust
- Continue to maintain an outstanding SCITT (School Centred Initial Teacher Training)
- Continue to recruit, train and maintain outstanding teaching and support staff
- Continue to contribute to school improvement at a local, regional, national and international level
- Continue to work with partners at DfE, ESFA, Local Authorities, Regional School Commissioners and other schools
- Continue to develop a Matrix Academy Trust standardised approach
- Continue to centralise functions within the Trust where improvements and efficiencies can be gained
- Monitor and review the governance of the schools within the Trust
- To develop the leadership academy
- To expand primary expertise within the Trust

Funds held as Custodian Trustee on behalf of others

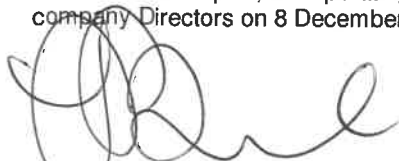
There are no funds held as Custodian Trustee on behalf of others.

Auditor

Insofar as the Trustees are aware: -

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors on 8 December 2020 and signed on the board's behalf by:



Mr Jeremy Bench
Chair of Trustees

MATRIX ACADEMY TRUST

Governance Statement for the Year Ended 31 August 2020

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform to 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 Matrix Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<u>Board member</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr J Bench (Chairman)	4	5
Dame Maureen Brennan (CEO and Accounting Officer)	5	5
Mr S Smith	4	5
Ms D Park	5	5
Mr S White	3	5
Sir Mark Aspinall	2	5
Mrs D Williams	3	5
Mr A Heath	4	5

During the year, ended 31 August 2020 there has been no changes to the composition of the Board of Trustees.

The academy Trust is currently undertaking a self-evaluation using NGA guidance, this will then follow on to an external review of governance being completed by March 2021.

The board maintained its responsibilities to ensure robust governance and effective management arrangements by board members meeting and discussing regularly with key management involving detailed conversations with the CFO to maintain effective oversight of funds.

The audit and risk committee is a sub-committee of the main Board of Trustees. Its purpose is to provide assurances to the Board of Directors that risks are being adequately identified and managed by:

- reviewing the risks to internal financial control at the Trust
- agreeing a programme of work to address, and provide assurance on those risks
- review the reports of the responsible officer on the effectiveness of the financial procedures and controls
- reviewing the risk reduction plan

Attendance at meetings in the year was as follows:

<u>Audit and risk committee member</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs C Gilbert (Chair)	2	2
Mr S Smith	2	2
Sir Mark Aspinall	1	2

Matrix Academy Trust does not operate a Finance and General Purposes Sub-Committee.

MATRIX ACADEMY TRUST

Governance Statement (continued) for the Year Ended 31 August 2020

Review of Value for Money

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

The accounting officer considers how the 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:

Improving educational results

We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:

- Continuing the drive to raise standards so all academies aim for outstanding;
- Targeting resources in key target areas such as literacy and numeracy;
- Monitoring the needs of individual pupils and ensuring the support they receive is of the highest quality;
- Ensure every single young person who attends an academy within Matrix Academy Trust has the very best experience and achieves everything they are capable of;
- Closing the gap between the progress of disadvantaged pupils and non-disadvantaged pupils;
- Monitor the performance of staff to ensure that relevant action is taken where weaknesses are identified;
- Using the SCITT to provide a pipeline of quality first teachers to work within the Trust.

The effectiveness of these strategies can be seen in the sustained performance of pupil achievement.

Maintaining the Focus on individual pupils

The Trust has managed the differing needs of pupils, such as those requiring one to one support and those requiring more stretch by:

- Quality catch up intervention in English and Maths
- More able pupils are challenged requiring additional planning
- Withdrawal from certain subjects in years 7, 8 and 9 to focus on additional literacy and numeracy work
- Success centre continues to work alongside the small proportion of disengaged pupils
- Purchasing equipment and additional resources for individual pupils where necessary
- Collapsed curriculum events to accelerate progress
- Discrete reading curriculum and support for the least able
- Educational visits
- Pupil premium is strategically used for intervention strategies to ensure we minimise underperformance.

Financial Governance and Oversight

The Board of Trustees receives and approves the Annual Budget, Annual Accounts and the External Auditors Management Report and is mindful of the need to balance expenditure against income to ensure the Trust and its academies remain a 'going concern'.

Each appointed Headteacher will have overall responsibility for the day to day management of their academy budget. The Board of Directors, Chief Executive and CFO review financial performance.

Better Purchasing

A register of all services and contracts is held and contracts are appraised and renegotiated in a timely manner to get the best mix of quality and effectiveness for the least cost.

Some services have been terminated with external providers as the expertise is now available in house.

The Trust benchmarks financial performance against each of its academies along with other Trusts to demonstrate that the Trust provides good value for money.

Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts remain competitive.

The Trust regularly takes opportunities to work collaboratively with others to reduce and share administration and procurement costs.

MATRIX ACADEMY TRUST

Governance Statement (continued) for the Year Ended 31 August 2020

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 Matrix Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of Trustees 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 Services 4 Schools as internal auditor.

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

- Purchasing
- Payroll
- Business Interests
- Cash Control
- Financial Procedures
- GAG Income, Grant Income and Other Income
- Assets
- VAT & Taxations
- Data security
- Insurance
- Roles and Responsibilities
- Budgeting
- Governance
- Staff Structure
- Tendering Process
- Accounting records and systems
- Reporting

On a termly basis the auditor reports to the Board of Trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

A schedule of work was approved for the year and adhered to. There were no findings which were perceived to be high risk or material in their nature or value.

MATRIX ACADEMY TRUST

Governance Statement (continued)
for the Year Ended 31 August 2020

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- 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 audit and risk committee and a plan to address weakness and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8 December 2020 and signed on its behalf by:



Mr Jeremy Bench
Chair of Trustees



Dame Maureen Brennan
Accounting Officer

MATRIX ACADEMY TRUST

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2020

As accounting officer of Matrix Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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.



Dame Maureen Brennan
Accounting Officer
8 December 2020

MATRIX ACADEMY TRUST

Statement of Trustees' Responsibilities for the Year Ended 31 August 2020

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

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

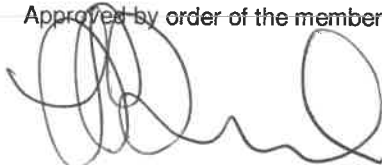
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 8 December 2020 and signed on its behalf by:



Mr Jeremy Bench
Chair of Trustees

Report of the Independent Auditors to the Members of
Matrix Academy Trust

Opinion

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

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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the Academy's activities, its suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed in the Trustees' Report and in the notes to the financial statements.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Matrix Academy Trust

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

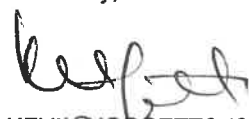
Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

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 the Academy Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



KEVIN HODGETTS (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

8 December 2020

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

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Matrix Academy Trust during the period 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 Matrix 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 Matrix Academy Trust and the 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 Matrix Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 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.

Approach

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

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

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

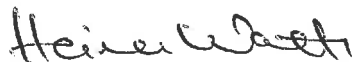
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the Trust's activities;
- A review of governance procedures;
- A review of financial budgeting and monitoring procedures;
- A review of related/ connected party transactions in accordance with internal processes and the Academies Financial Handbook;
- A review and sample testing of internal financial controls; and
- A review and sample testing of procurement procedures.

Conclusion

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



Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

8 December 2020

MATRIX ACADEMY TRUST

**Statement of Financial Activities
for the year ended 31 August 2020**

		Unrestricted fund £'000	Restricted funds £'000	Fixed asset funds £'000	2020 Total funds £'000	2019 Total funds £'000
	Notes					
Income and endowments from						
Donations and capital grants	2	7	-	486	493	1,698
Charitable activities						
Funding for the academies' educational operations	3	-	25,057	-	25,057	22,973
SCITT	25	-	873	-	873	1,023
Other trading activities	4	939	332	-	1,271	2,152
Investment income	5	7	-	-	7	10
Total		953	26,262	486	27,701	27,856
Expenditure on						
Raising funds		832	-	-	832	1,603
Charitable activities						
Academies' educational operations	3	-	23,521	1,539	25,060	24,121
SCITT	25	-	878	-	878	987
Total	6	832	24,399	1,539	26,770	26,711
NET INCOME/(EXPENDITURE)		121	1,863	(1,053)	931	1,145
Transfers between funds	19	-	(512)	512	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	(1,511)	-	(1,511)	(1,939)
Net movement in funds		121	(160)	(541)	(580)	(794)
Reconciliation of funds						
Total funds brought forward		1,714	(8,131)	51,270	44,853	45,647
Total funds carried forward		1,835	(8,291)	50,729	44,273	44,853

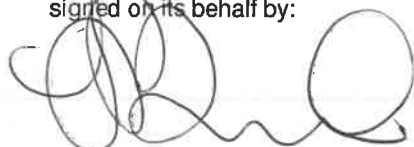
The notes form part of these financial statements

MATRIX ACADEMY TRUST

Statement of Financial Position
31 August 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Tangible assets	13	50,729	51,270
Current assets			
Debtors	14	1,954	2,199
Cash at bank		<u>5,226</u>	<u>4,002</u>
		7,180	6,201
Creditors			
Amounts falling due within one year	15	<u>(1,500)</u>	<u>(2,238)</u>
Net current assets		<u>5,680</u>	<u>3,963</u>
Total assets less current liabilities		56,409	55,233
Pension liability	20	<u>(12,136)</u>	<u>(10,380)</u>
NET ASSETS		<u>44,273</u>	<u>44,853</u>
Funds	19		
Unrestricted funds:			
General fund		1,835	1,714
Restricted funds:			
Restricted general funds		3,845	2,249
Fixed asset funds		50,729	51,270
Pension reserve		<u>(12,136)</u>	<u>(10,380)</u>
		42,438	43,139
Total funds		<u>44,273</u>	<u>44,853</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8 December 2020 and were signed on its behalf by:



Mr J E Bench
Chair of Trustees

Company Registration Number: 07654219

MATRIX ACADEMY TRUST

Statement of Cash Flows
for the year ended 31 August 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Cash generated from operations	26	<u>1,724</u>	<u>464</u>
Net cash provided by operating activities		<u>1,724</u>	<u>464</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(993)	(2,801)
Capital grants from DfE/ESFA		486	1,698
Interest received		<u>7</u>	<u>10</u>
Net cash used in investing activities		<u>(500)</u>	<u>(1,093)</u>
		—	—
Change in cash and cash equivalents in the reporting period		1,224	(629)
Cash and cash equivalents at the beginning of the reporting period		<u>4,002</u>	<u>4,631</u>
Cash and cash equivalents at the end of the reporting period		<u><u>5,226</u></u>	<u><u>4,002</u></u>

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Connected charities and subsidiary undertakings

Evolve Teaching School Alliance Limited is a Company Limited by Guarantee in which the Governing Body of Barr Beacon School Limited, acting as agent for Matrix Academy Trust, is the only member. These financial statements present the information of the Academy Trust as an individual entity only and do not consolidate the financial statements of Evolve Teaching School Alliance Limited. Exemption has been taken from the requirement to prepare consolidated group accounts on the grounds that the subsidiary is immaterial to the Academy Trust. The capital and reserves of Evolve Teaching School Alliance Limited at 31 August 2020 was £Nil (2019: (£3,094)) and the surplus for the year was £3,094 (2019: £25,972).

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the Academy Trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

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.

Sponsorship income

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued for the year ended 31 August 2020

1. Accounting policies - continued

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Academy Trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

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

Charitable activities

Costs of charitable activities are 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.

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trusts' depreciation policy.

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

Long leasehold buildings	- 50 years straight line basis
Leasehold land	- not depreciated
Fixtures, fittings and equipment	- 3 years straight line basis
Computer equipment	- 3 years straight line basis
Motor vehicles	- 3 years straight line basis

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

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

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued for the year ended 31 August 2020

1. Accounting policies - continued

Liabilities

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

Provisions

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

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

Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS102. The financial assets and liabilities of the Academy Trust and their measurement basis are as follows:

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

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

Leased assets

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

Pension costs and other post-retirement benefits

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

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued for the year ended 31 August 2020

1. Accounting policies - continued

Pension costs and other post-retirement benefits

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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

2. Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Donations	7	-	7	-
Grants	-	486	486	1,698
	<u>7</u>	<u>486</u>	<u>493</u>	<u>1,698</u>

Grants received, included in the above, are as follows:

	2020 £'000	2019 £'000
Capital grants	<u>486</u>	<u>1,698</u>

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

3. Funding for the academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
General Annual Grant (GAG)	-	21,663	21,663	21,081
Other DfE group grants	-	2,871	2,871	1,569
Local authority grants	-	362	362	290
Other income from educational operations	-	39	39	33
Coronavirus Job Retention Scheme grant	-	122	122	-
	<u>-</u>	<u>25,057</u>	<u>25,057</u>	<u>22,973</u>

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown as exceptional government funding.

- The academy furloughed some of its catering staff under the government's CJRS. The funding received of £122k relates to staff costs in respect of 37 staff which are included within note 9 below as appropriate.

4. Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Hire of facilities	50	-	50	29
Catering income	768	-	768	1,031
School fund income	-	224	224	574
Other income	121	108	229	518
	<u>939</u>	<u>332</u>	<u>1,271</u>	<u>2,152</u>

5. Investment income

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Deposit account interest	<u>7</u>	<u>-</u>	<u>7</u>	<u>10</u>

6. Expenditure

	Non-pay expenditure			2020	2019
	Staff costs £'000	Premises £'000	Other costs £'000	Total £'000	Total £'000
Raising funds					
Costs of fundraising					
Direct costs	409	-	423	832	1,603
Charitable activities					
Academies' educational operations					
Direct costs	17,033	1,119	1,899	20,051	18,537
Allocated support costs	2,677	1,428	904	5,009	5,584
SCITT					
Direct costs	171	-	73	244	173
Allocated support costs	<u>18</u>	<u>7</u>	<u>609</u>	<u>634</u>	<u>814</u>
	<u>20,308</u>	<u>2,554</u>	<u>3,908</u>	<u>26,770</u>	<u>26,711</u>

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

6. Expenditure - continued

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£'000	£'000
Auditors' remuneration	16	15
Auditors' remuneration for non-audit work	16	16
Depreciation - owned assets	1,534	1,367
Other operating leases	<u>30</u>	<u>34</u>

7. Charitable activities

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£'000	£'000	£'000	£'000
Direct costs – academies' educational operations	-	20,051	20,051	18,537
Direct costs - SCITT	-	244	244	173
Support costs – academies' educational operations	-	5,009	5,009	5,584
Support costs - SCITT	<u>-</u>	<u>634</u>	<u>634</u>	<u>814</u>
	<u>-</u>	<u>25,938</u>	<u>25,938</u>	<u>25,108</u>

	2020 Total	2019 Total
	£'000	£'000
Analysis of support costs		
Support staff costs	2,695	3,228
Technology costs	46	46
Premises costs	1,435	1,462
Other support costs	1,376	1,595
Governance costs	<u>91</u>	<u>67</u>
Total support costs	<u>5,643</u>	<u>6,398</u>

8. Trustees' remuneration and benefits

The Chief Executive Officer and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

Dame M Brennan (Chief Executive Officer and Trustee)		
Remuneration	2020 - £145,000 - £150,000	(2019 - £150,000 - £155,000)
Employer's pension contributions	£nil	£nil

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued for the year ended 31 August 2020

8. Trustees' remuneration and benefits - continued

Trustees' expenses

During the year ended 31 August 2020 and 31 August 2019 no travel and subsistence expenses were reimbursed to Trustees. Related party transactions involving the Trustees are set out in note 23.

9. Staff costs

	2020 £'000	2019 £'000
Wages and salaries	15,092	14,738
Social security costs	1,479	1,446
Operating costs of defined benefit pension schemes	<u>3,685</u>	<u>3,072</u>
	20,256	19,256
Supply teacher costs	52	180
Redundancy payments	<u>-</u>	<u>30</u>
	<u>20,308</u>	<u>19,466</u>

The average number of persons (including senior management team) employed by the Academy Trust during the year was as follows:

	2020	2019
Teachers (FTE: 2020: 256, 2019: 248)	268	256
Admin and support (FTE: 2020: 157, 2019: 153)	205	198
Management (FTE: 2020: 37, 2019: 41)	<u>37</u>	<u>41</u>
	<u>510</u>	<u>495</u>

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

	2020	2019
£60,001 - £70,000	14	8
£70,001 - £80,000	1	2
£80,001 - £90,000	-	3
£90,001 - £100,000	3	1
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
	<u>20</u>	<u>15</u>

The key management personnel of the Academy Trust comprise the Trustees, the senior leadership team and the central support team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,193,555 (2019:£1,087,196).

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

10. Trustees' and officers' insurance

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

11. Comparatives for the statement of financial activities (31 August 2019)

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset funds £'000	Total funds £'000
Income and endowments from				
Donations and capital grants	-	25	1,673	1,698
Charitable activities				
Funding for the academies' educational operations	-	22,973	-	22,973
SCITT	-	1,023	-	1,023
Other trading activities	1,269	883	-	2,152
Investment income	<u>10</u>	<u>-</u>	<u>-</u>	<u>10</u>
Total	1,279	24,904	1,673	27,856
Expenditure on				
Raising funds	1,001	602	-	1,603
Charitable activities				
Academies' educational operations	-	22,752	1,369	24,121
SCITT	-	987	-	987
Total	1,001	24,341	1,369	26,711
NET INCOME	278	563	304	1,145
Transfers between funds	-	(490)	490	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(1,939)</u>	<u>-</u>	<u>(1,939)</u>
Net movement in funds	278	(1,866)	794	(794)
Reconciliation of funds				
Total funds brought forward	1,436	(6,265)	50,476	45,647
Total funds carried forward	<u>1,714</u>	<u>(8,131)</u>	<u>51,270</u>	<u>44,853</u>

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued for the year ended 31 August 2020

12. Central services

Matrix Academy Trust has provided the following central services to the academies during the year:

- > human resources
- > financial services
- > legal services
- > educational support services
- > facilities services
- > IT services

The Trust charges each of their academies a proportion of their GAG income for provision of these central services. During the year a flat rate of 5% was charged.

The actual amounts charged during the year were as follows:

	2020 £'000	2019 £'000
Barr Beacon School	378	317
Etone College	198	164
Bloxwich Academy	287	238
Dame Elizabeth Cadbury	209	179
Barr Beacon SCITT	22	-
	<u>1,094</u>	<u>898</u>

13. Tangible fixed assets

	Long leasehold £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
Cost					
At 1 September 2019	57,406	2,219	146	2,387	62,158
Additions	<u>633</u>	<u>70</u>	<u>-</u>	<u>290</u>	<u>993</u>
At 31 August 2020	<u>58,039</u>	<u>2,289</u>	<u>146</u>	<u>2,677</u>	<u>63,151</u>
Depreciation					
At 1 September 2019	6,837	2,013	146	1,892	10,888
Charge for year	<u>1,113</u>	<u>145</u>	<u>-</u>	<u>276</u>	<u>1,534</u>
At 31 August 2020	<u>7,950</u>	<u>2,158</u>	<u>146</u>	<u>2,168</u>	<u>12,422</u>
Net book value					
At 31 August 2020	<u>50,089</u>	<u>131</u>	<u>-</u>	<u>509</u>	<u>50,729</u>
At 31 August 2019	<u>50,569</u>	<u>206</u>	<u>-</u>	<u>495</u>	<u>51,270</u>

Included in the cost or valuation of land and buildings is leasehold land of £4,744,038, which is not depreciated.

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

14. Debtors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade debtors	75	87
Amounts owed by group undertakings	-	5
Other debtors	273	1,027
VAT recoverable	726	616
Prepayments and accrued income	<u>880</u>	<u>464</u>
	<u>1,954</u>	<u>2,199</u>

Included in other debtors is accrued capital income of £Nil (2019: £715,290) relating to capital expenditure incurred in the financial year.

15. Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	536	678
Social security and other taxes	286	359
Other creditors	23	62
Accruals and deferred income	<u>655</u>	<u>1,139</u>
	<u>1,500</u>	<u>2,238</u>

	2020	2019
	£'000	£'000
Deferred Income at 1 September 2019	174	279
Resources deferred in the year	344	174
Amounts released from previous years	<u>(174)</u>	<u>(279)</u>
Deferred Income at 31 August 2020	<u>344</u>	<u>174</u>

At the balance sheet date, the Academy Trust was holding funds in advance for the following:

	2020	2019
	£'000	£'000
Catering	5	13
Capital expenditure	41	49
UIFSM funding	65	-
Rates funding	25	51
Bursary funding	55	57
SEND funding	45	-
Combined Cadet Force	-	1
School fund	108	-
EY deprivation funding	<u>-</u>	<u>3</u>
	<u>344</u>	<u>174</u>

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

16. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£'000	£'000
Within one year	39	30
Between one and five years	46	57
	<u>85</u>	<u>87</u>

17. 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.

18. Analysis of net assets between funds

	Unrestricted	Restricted	Fixed	2020
	fund	funds	asset	Total
	£'000	£'000	funds	funds
	£'000	£'000	£'000	£'000
Fixed assets	-	-	50,729	50,729
Current assets	1,839	4,999	342	7,180
Current liabilities	(4)	(1,154)	(342)	(1,500)
Pension liability	-	(12,136)	-	(12,136)
	<u>1,835</u>	<u>(8,291)</u>	<u>50,729</u>	<u>44,273</u>

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

	Unrestricted	Restricted	Fixed	2019
	fund	funds	asset	Total
	£'000	£'000	funds	funds
	£'000	£'000	£'000	£'000
Fixed assets	-	-	51,270	51,270
Current assets	1,730	3,365	1,106	6,201
Current liabilities	(16)	(1,116)	(1,106)	(2,238)
Pension liability	-	(10,380)	-	(10,380)
	<u>1,714</u>	<u>(8,131)</u>	<u>51,270</u>	<u>44,853</u>

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

19. Movement in funds

	Balance at 1 September 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	1,985	21,663	(19,545)	(512)	3,591
Other DfE group grants	109	2,871	(2,980)	-	-
School fund	151	225	(121)	-	255
Other restricted funds	-	630	(630)	-	-
SCITT	4	873	(878)	-	(1)
	<u>2,249</u>	<u>26,262</u>	<u>(24,154)</u>	<u>(512)</u>	<u>3,845</u>
Pension reserve	(10,380)	-	(245)	(1,511)	(12,136)
	<u>(8,131)</u>	<u>26,262</u>	<u>(24,399)</u>	<u>(2,023)</u>	<u>(8,291)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	5,086	486	(164)	-	5,408
Capital expenditure from GAG	7,704	-	(242)	512	7,974
Transfer from Local Authority on conversion	36,673	-	(1,080)	-	35,593
Other capital funds	1,807	-	(53)	-	1,754
	<u>51,270</u>	<u>486</u>	<u>(1,539)</u>	<u>512</u>	<u>50,729</u>
Total restricted	<u>43,139</u>	<u>26,748</u>	<u>(25,938)</u>	<u>9</u>	<u>42,438</u>
Unrestricted funds					
Generated funds	1,714	953	(832)	-	1,835
	<u>1,714</u>	<u>953</u>	<u>(832)</u>	<u>-</u>	<u>1,835</u>
Total funds	<u>44,853</u>	<u>27,701</u>	<u>(26,770)</u>	<u>(1,511)</u>	<u>44,273</u>

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency, Department of Education, or other funders.

Restricted Fixed Asset Funds are resources which are applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education, or other funders where the asset acquired or created is held for a specific purpose.

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

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

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

19. Movement in funds - continued

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

	Total 2020	Total 2019
	£'000	£'000
Barr Beacon School	1,803	1,316
Etone College	872	692
Bloxwich Academy	2,775	1,778
Dame Elizabeth Cadbury School	113	(26)
Matrix Academy Trust	118	199
SCITT	(1)	4
Total before fixed assets and pension reserve	5,680	3,963
Restricted fixed asset fund	50,729	51,270
Pension reserve	(12,136)	(10,380)
Total	44,273	44,853

Analysis of academies by cost

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other (excluding depreciation)	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Barr Beacon School	5,955	912	255	967	8,089	7,810
Etone College	3,051	561	184	585	4,381	4,371
Bloxwich Academy	4,133	645	355	838	5,971	6,107
Dame Elizabeth Cadbury School	3,521	452	257	532	4,762	4,940
Matrix Academy Trust	490	670	-	81	1,241	1,139
SCITT	137	82	-	568	787	975
Total	17,287	3,323	1,051	3,571	25,231	25,342

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

19. Movement in funds - continued

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

	Balance at 1 September 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	1,431	21,081	(20,037)	(490)	1,985
Other DfE group grants	-	1,569	(1,460)	-	109
School fund	179	574	(602)	-	151
Other restricted funds	88	657	(745)	-	-
SCITT	(32)	1,023	(987)	-	4
	<u>1,666</u>	<u>24,904</u>	<u>(23,831)</u>	<u>(490)</u>	<u>2,249</u>
Pension reserve	(7,931)	-	(510)	(1,939)	(10,380)
	<u>(6,265)</u>	<u>24,904</u>	<u>(24,341)</u>	<u>(2,429)</u>	<u>(8,131)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	3,549	1,673	(136)	-	5,086
Capital expenditure from GAG	7,416	-	(202)	490	7,704
Transfer from Local Authority on conversion	37,656	-	(983)	-	36,673
Other capital funds	1,855	-	(48)	-	1,807
	<u>50,476</u>	<u>1,673</u>	<u>(1,369)</u>	<u>490</u>	<u>51,270</u>
Total restricted	<u>44,211</u>	<u>26,577</u>	<u>(25,710)</u>	<u>(1,939)</u>	<u>43,139</u>
Unrestricted funds					
Generated funds	1,436	1,279	(1,001)	-	1,714
	<u>1,436</u>	<u>1,279</u>	<u>(1,001)</u>	<u>-</u>	<u>1,714</u>
Total funds	<u>45,647</u>	<u>27,856</u>	<u>(26,711)</u>	<u>(1,939)</u>	<u>44,853</u>

20. Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by which are managed by: - the West Midlands Pension Fund in respect of Barr Beacon School and Bloxwich Academy; Warwickshire County Council in respect of Etone College; and Birmingham City Council in respect of Dame Elizabeth Cadbury School. The TPS and the LGPS are both Multi-employer Defined Benefit Pension Schemes.

The pension costs and the LGPS are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS and the LGPS related to the period ended 31 March 2019.

Prepaid contributions to the schemes as at 31 August 2020 amount to £545,111 (2019: £184,455) and are included within debtors.

20. Pension and similar obligations - continued

Teachers' pension scheme

Introduction

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

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

Valuation of the teachers' pension scheme

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

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

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

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

20. Pension and similar obligations - continued

The employer's pension costs paid to TPS in the period amounted to £2,617,772 (2019: £1,767,963).

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 £719,261 (2019: £663,205), of which employer's contributions totalled £555,100 (2019: £485,484) and employees' contributions totalled £164,161 (2019: £177,721). The agreed contribution rates for future years range from 5.5% to 12.5% for employee' and for employers are at the following rates:

Matrix Academy Trust - 2020/21 - 2022/23 - 19.9%

Barr Beacon School - 2020/21 - 2022/23 - 19.9%

Bloxwich Academy - 2020/21 - 2022/23 - 19.9%

Dame Elizabeth Cadbury School - 2020/21 - 2022/23 - 19.9%

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.

In November 2019 The West Midlands Pension Fund notified the Trust that additional employer's contributions would be payable in future years as follows:

Matrix Academy Trust - £22,180 for 2020/21, £22,989 for 2021/22 and £23,827 for 2022/23

Barr Beacon School - £31,517 for 2020/21, £32,666 for 2021/22 and £33,857 for 2022/23

Bloxwich Academy - £51,885 for 2020/21, £53,776 for 2021/22 and £55,737 for 2022/23

Dame Elizabeth Cadbury School - £105,000 for 2020/21, £109,000 for 2021/22 and £113,000 for 2022/23

Warwickshire Pension Fund notified the Trust that employer's contributions would be payable for 2020/21 of £94,000.

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

	Defined benefit pension plans	
	2020	2019
	£'000	£'000
Present value of funded obligations	(23,316)	(19,876)
Fair value of plan assets	11,180	9,496
	(12,136)	(10,380)
Present value of unfunded obligations	-	-
Deficit	(12,136)	(10,380)
Net liability	(12,136)	(10,380)

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

20. Pension and similar obligations - continued

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

	Defined benefit pension plans	
	2020	2019
	£'000	£'000
Current service cost	1,230	871
Net interest from net defined benefit asset/liability	185	204
Past service cost	18	227
Administrative expenses	3	3
	<u>1,436</u>	<u>1,305</u>
 Actual return on plan assets	 <u>762</u>	 <u>564</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2020	2019
	£'000	£'000
Opening defined benefit obligation at start of the period	19,876	16,113
Current service cost	1,230	871
Past service cost	18	227
Contributions by scheme participants	171	146
Interest cost	373	435
Change in financial assumptions	1,508	3,276
Benefits paid	(228)	(177)
Experience loss/(gain)	93	-
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	420	(1,015)
Oblig other remeasurement	(145)	-
	<u>23,316</u>	<u>19,876</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
	£'000	£'000
Opening fair value of scheme assets at start of the period	9,496	8,182
Assets interest	188	231
Contributions by employer	1,191	795
Contributions by scheme participants	171	146
Assets administration expenses	(3)	(3)
Expected return	571	322
Actuarial gains/(losses)	(206)	-
Benefits paid	(228)	(177)
	<u>11,180</u>	<u>9,496</u>

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

20. Pension and similar obligations - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2020	2019
	£'000	£'000
Actuarial (gains)/losses from changes in demographic assumptions	(420)	1,015
Oblig other remeasurement	145	-
Actuarial gains/(losses)	1,714	(3,276)
Expected return on assets	(571)	322
	<u>868</u>	<u>(1,939)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Matrix Academy Trust	Barr Beacon School	Etone College	Bloxwich Academy	Dame Elizabeth Cadbury School
	56% (2019: 60%)	56% (2019: 60%)	60% (2019: 61%)	56% (2019: 60%)	56% (2019: 60%)
Equities					
Government Bonds	11% (2019: 9%)	11% (2019: 9%)	25% (2019: 26%)	11% (2019: 9%)	11% (2018: 9%)
Other bonds	4% (2019: 4%)	4% (2019: 4%)	-	4% (2019: 4%)	4% (2019: 4%)
Property	7% (2019: 8%)	7% (2019: 8%)	13% (2019: 12%)	8% (2019: 8%)	7% (2019: 8%)
Cash	7% (2019: 4%)	7% (2019: 4%)	2% (2019: 1%)	7% (2019: 4%)	7% (2019: 4%)
Other	15% (2019: 15%)	15% (2019: 15%)	-	15% (2019: 15%)	15% (2019: 15%)
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

20. Pension and similar obligations - continued

	Matrix Academy Trust 31.08.20 (31.08.19)	Barr Beacon School 31.08.20 (31.08.19)	Etone College 31.08.20 (31.08.19)	Bloxwich Academy 31.08.20 (31.08.19)	Dame Elizabeth Cadbury School 31.08.20 (31.08.19)
Rate of increase in salaries	3.2% (3.6%)	3.2% (3.7%)	3.0% (2.9%)	3.2% (3.7%)	3.3% (3.6%)
Rate of increase for pensions in payment/ inflation	2.2% (2.1%)	2.2% (2.2%)	2.2% (2.3%)	2.2% (2.2%)	2.3% (2.2%)
Discount rate for scheme liabilities	1.7% (1.9%)	1.6% (1.9%)	1.7% (1.8%)	1.6% (1.8%)	1.6% (1.9%)
Inflation assumptions (CPI)	2.2% (2.1%)	2.2% (2.2%)	2.2% (2.3%)	2.2% (2.2%)	2.3% (2.1%)

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

	Matrix Academy Trust at 31.08.20 (2019)	Barr Beacon School at 31.08.20 (2019)	Etone College 31.08.20 (31.08.19)	Bloxwich Academy at 31.08.20 (2019)	Dame Elizabeth Cadbury School at 31.08.20 (2019)
Retiring today					
Males	21.9 (20.9)	21.9 (20.9)	21.6 (21.4)	21.9 (20.9)	21.9 (20.9)
Females	24.1 (23.2)	24.1 (23.2)	23.8 (23.6)	24.1 (23.2)	24.1 (23.2)
Retiring in 20 years					
Males	23.8 (22.6)	23.8 (22.6)	22.5 (22.4)	23.8 (22.6)	23.8 (22.6)
Females	26.0 (25.1)	26.0 (25.1)	25.4 (25.0)	26.0 (25.1)	26.0 (25.1)

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

20. Pension and similar obligations - continued

Sensitivity analysis as at 31 August 2020
Matrix Academy Trust

	Sensitivity 1	Sensitivity 2	Sensitivity 3
	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	1,509	1,562	1,617
Projected service cost	253	263	273
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	1,562	1,562	1,562
Projected service cost	263	263	263
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	1,616	1,562	1,509
Projected service cost	273	263	253
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	1,619	1,562	1,507
Projected service cost	273	263	254

Barr Beacon School

	Sensitivity 1	Sensitivity 2	Sensitivity 3
	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	5,236	5,376	5,520
Projected service cost	417	432	448
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	5,389	5,376	5,364
Projected service cost	432	432	432

Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	5,507	5,376	5,249
Projected service cost	447	432	417
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	5,588	5,376	5,172
Projected service cost	448	432	416

Etone College

	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	12%	551
0.5% in the Salary Increase Rate	1%	34
0.5% increase in the Pension Increase Rate	11%	508

Bloxwich Academy

	Sensitivity 1	Sensitivity 2	Sensitivity 3
	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	7,118	7,296	7,479
Projected service cost	236	243	250
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	7,303	7,296	7,289
Projected service cost	243	243	243
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued for the year ended 31 August 2020

20. Pension and similar obligations - continued

Present value of total obligation	7,470	7,296	7,126
Projected service cost	250	243	236
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	7,591	7,296	7,013
Projected service cost	252	243	234

Dame Elizabeth Cadbury School

	Sensitivity 1	Sensitivity 2	Sensitivity 3
	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	4,390	4,509	4,631
Projected service cost	284	293	302
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	4,519	4,509	4,499
Projected service cost	293	293	293
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	4,620	4,509	4,401
Projected service cost	302	293	284
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	4,686	4,509	4,339
Projected service cost	304	293	282

21. Contingent liabilities

There were no contingent liabilities as at 31 August 2020 or 31 August 2019.

22. Capital commitments

	2020	2019
	£'000	£'000
Contracted but not provided for in the financial statements	-	-

23. Related party disclosures

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 the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the requirements of the Academies Financial Handbook and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Dame Maureen Brennan's son Mr S Brennan is employed at Barr Beacon School as a member of the support staff. He received remuneration from the Trust during the year totalling £27,798 (2019: £22,323).

During the year, the company recharged Evolve Teaching School Alliance Limited for staff costs and sundry expenses totalling £43,991 (2019: £75,207). At the year end there was a balance outstanding from Evolve Teaching School Alliance Limited of £Nil (2019: £5,487) included in debtors.

There were no other related party transactions for the year ended 31 August 2020 other than certain Trustees' remuneration and expenses already disclosed in note 8.

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

24. Post balance sheet events

At the time of approval of these financial statements, the COVID-19 viral pandemic is one of the most significant economic events for the UK and globally. The pandemic was officially announced as being present in the UK during January 2020. Under UK GAAP, the consequences of a condition present at the balance sheet date are considered to be an adjusting post balance sheet event and therefore potentially have implications for the year-end balance sheet.

Having reviewed the operating conditions in the post balance sheet period, and in particular having considered the balance sheet carrying values of fixed assets and the recoverability of debtors, the Trustees are satisfied there are currently no indications of any material impairment.

Further details on the Trustees' assessment of the impact of COVID-19 during the year, in the period since the year end, and on the future development and performance of the Academy Trust, is detailed in the Trustees' Report.

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

25. SCITT trading account

	2019/20	2019/20	2018/19	2018/19
	£'000	£'000	£'000	£'000
Income				
Direct income				
NCTL income	625		659	
SLC income	227		306	
Trainee income	-		25	
<u>Other income</u>				
Miscellaneous income	21		33	
Total income		873		1,023
Expenditure				
Direct costs				
Direct staff costs	171		164	
Staff development	2		4	
Educational consultancy	64		-	
Other direct costs	6		5	
Total direct costs		(243)		(173)
<u>Other costs</u>				
Trainee payments	560		659	
Trainee placement costs	23		36	
University sponsor	-		67	
Support staff costs	18		14	
Technology costs	-		1	
Recruitment and support	-		-	
Other support costs	12		19	
Share of governance costs	22		18	
Total other costs		(635)		(814)
Total expenditure		878		987
Surplus/(Deficit) from all sources		(5)		36
Balance at 1 September 2019		4		(32)
Balance at 31 August 2020		(1)		4

MATRIX ACADEMY TRUST

Notes to the Financial Statements - continued
for the year ended 31 August 2020

26. Reconciliation of net income to net cash flow from operating activities

	2020	2019
	£'000	£'000
Net income for the reporting period (as per the Statement of Financial Activities)	931	1,145
Adjustments for:		
Depreciation charges	1,534	1,368
Capital grants from DfE/ESFA	(486)	(1,698)
Interest received	(7)	(10)
Decrease/(increase) in debtors	245	(944)
(Decrease)/increase in creditors	(738)	93
Difference between pension charge and cash contributions	245	510
Net cash provided by operations	<u>1,724</u>	<u>464</u>

27. Analysis of changes in net funds

	At 1/9/19	Cash flow	At 31/8/20
	£'000	£'000	£'000
Net cash			
Cash at bank	<u>4,002</u>	<u>1,224</u>	<u>5,226</u>
	<u>4,002</u>	<u>1,224</u>	<u>5,226</u>
Total	<u>4,002</u>	<u>1,224</u>	<u>5,226</u>