

Company Registration No. 10360957 (England and Wales)

**THE COMPASS PARTNERSHIP OF SCHOOLS**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# THE COMPASS PARTNERSHIP OF SCHOOLS

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# THE COMPASS PARTNERSHIP OF SCHOOLS

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Directors

H Lewis  
L Perks (Resigned 1 July 2021)  
O Ralston  
C Rea  
S Skidmore  
M Whitehead (Chair)  
N Fitzgerald  
A Duguid (Resigned 4 September 2020)  
A Wasik-Hyde  
R Bansil (Appointed 15 October 2020)  
K Muxlow (Appointed 10 December 2020 and resigned 11 March 2021)  
P Brightly-Jones (Appointed 10 December 2020 and resigned 5 November 2021)  
S Shah (Appointed 25 March 2021)

### Members

M Whitehead  
J Mackenzie - Blackman  
A Brooks- Johnson  
D Mbatha  
F Aubrey- Smith

### Executive leadership team

J Camp	- CEO
S Powell	- Executive Headteacher
J Gordon	- Executive Headteacher
M Bernard	- Executive Headteacher
R Harrison	- Executive Headteacher

### Company registration number

10360957 (England and Wales)

### Registered office

c/o Willow Dene School  
Swingate Lane  
Plumstead  
London  
SE18 2JD  
United Kingdom

### Academies operated

Alderwood Primary School  
Deansfield Primary School  
Halstow Primary School  
Horn Park Primary School  
South Rise Primary School  
Willow Dene School  
Wingfield Primary School

### Location

Greenwich  
Greenwich  
Greenwich  
Greenwich  
Greenwich  
Greenwich  
Greenwich

### Head

K Cutajar  
C Daly  
T Gray and N Tilley  
Z Crosland  
H Brown  
R Harrison  
R Silcock

# THE COMPASS PARTNERSHIP OF SCHOOLS

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Independent auditor**

Azets Audit Services  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ  
United Kingdom

### **Bankers**

Lloyds Bank  
39 Threadneedle Street  
London  
EC2R 8AU  
United Kingdom

### **Solicitors**

Legal Services Royal Borough of Greenwich  
The Woolwich Centre - 4th Floor  
35 Wellington Street  
Woolwich  
London  
SE18 6HQ  
United Kingdom

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT

### ***FOR THE YEAR ENDED 31 AUGUST 2021***

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The Directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates six primary schools for children aged 4 -11 and one special school for children aged 2 - 16. The schools are situated in the area of Greenwich. Please see below for pupil capacity:

Alderwood (1FE):

Capacity of School: 210

Number on Roll: 181

Deansfield (2FE):

Capacity of School: 420

Number on Roll: 417

Number on roll of onsite Nursery: 49

Halstow (2FE):

Capacity of School: 420

Number on Roll: 416

Horn Park (2FE):

Capacity of School: 420

Number on Roll: 346

Number on roll of onsite Nursery: 27

South Rise (3FE):

Capacity of School: 630

Number on Roll: 560

Number on roll of onsite Nursery: 51

Wingfield (2FE)

Capacity of school: 510 (increasing by 30 pupils per year to a maximum of 630)

Number on roll: 489

Number on roll of onsite nursery: 41

Willow Dene:

Capacity of School: 220

Number on Roll: 242

Number on roll of onsite Nursery: 4

## **Structure, governance and management**

### Constitution

The Multi 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 Multi Academy Trust.

The Directors are the trustees of The Compass Partnership of Schools and are also the directors of the charitable company for the purposes of company law. Details of the Directors who served during the year are included in the Reference and Administrative Details on page 1.

The Compass Partnership of Schools was incorporated on 6th September 2016 and is made up of seven schools. All schools have kept their original names, and obtained academy status from 1st July 2017. Wingfield Primary School converted on April 1st 2021 and is now fully part of the Trust.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### Members' liability

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

#### Method of recruitment and appointment or election of Directors

The members of the multi-academy trust shall comprise the signatories to the Memorandum, the chairman of the Directors, and any person appointed under Article 16.

The number of Directors shall be not less than 3, but shall not be subject to a maximum. Members will be appointed by the Directors except for the CEO who will have de facto membership.

Each Trust school shall have its own local school committee. The LSC composition can vary between schools, but the intention is to have each LSC comprising of no more than 13 members. For an LSC with 13 members, the composition is as follows:

- 2 elected parent governors
- 1 staff governor
- Head Teacher
- Executive Head Teacher
- 6 co-opted governor
- up to 2 board appointed governors (appointed for the skills they can bring contribute to the effective governance and success of the academy)

The first Directors of The Compass Partnership of Schools shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Director shall be 4 years.

#### Policies and procedures adopted for the induction and training of Directors

During the period under review the Trust Board of Directors held 8 full Directors meetings. All relevant Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. There is an induction programme for new trustees which includes a one on one meeting with the Chair of the Board and a meeting with the Executive Team. Most Trustees also sit on at least one of the Committees.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Organisational structure

The structure consists of four management levels: The Compass Partnership of Schools Directors Board, The Executive Leadership Team, the Local School Committee and the individual School Leadership Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. This structure sits within an overall framework of principles that ensures core functions are standardised whilst a degree of school autonomy and individual character is maintained so that local solutions to local issues can be quickly developed and have immediate impact. The current management structure is the outcome of an evolutionary process that took place over the 6 years the partnership developed as a maintained group of schools.

The Compass Partnership of Schools' Directors Board are responsible for setting general policy, adopting an annual plan, budget monitoring by the use of budget reports, and for making major decisions about the direction of The Compass Partnership of Schools', capital expenditure, and senior staff appointments.

The individual school's Leadership Team consists of the Headteacher/Head of School, Deputy Heads, Assistant Heads of School. These leaders control the school at school level, implementing the policies laid down by themselves, the local school committee, the Executive Team or The Compass Partnership of Schools Directors' Board. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets, and the appointment of non-senior staff. Appointments of senior leader posts will require Director's authorisation.

#### Arrangements for setting pay and remuneration of key management personnel

The setting of the pay and remuneration for the Chief Executive Officer is devolved from the Compass Directors Board to a panel responsible for CEO performance management. The pay of the CEO is set within the limits outlined in the National Teachers Pay and Conditions document. This process is externally facilitated and validated to ensure it is robust and challenging.

The pay and remuneration of the Executive Team below CEO level is set by the Trustees and is aligned with Greenwich local authority pay and conditions and the National Teachers Pay and Conditions Document. This process is externally facilitated and validated to ensure it is robust and challenging.

Head Teacher pay within all Trust schools is set using the formula within the pay and conditions document, applicable at the time of appointment. A panel consisting of members of the Executive Team and the Local School Committee will set the exact pay within the pay range identified within the pay and conditions document.

No leader in The Compass Partnership of Schools' is paid more than 25% above the leadership scale, in line with national recommendations – including the CEO. Current pay levels have been inherited on conversion from maintained school status and there has been no pay progression for senior staff since the group became a multi academy trust.

#### Engagement with employees

The Compass Partnership of Schools Trust is committed to ensuring equality in employment. We ensure that our recruitment process is inclusive and accessible by:

##### Making job adverts accessible

- Providing job details in accessible formats when requested e.g.; large print
- Accepting applications in alternate formats e.g. paper form
- Promoting our vacancies through a range of channels
- Providing reasonable adjustments as required
- Ensuring against discrimination

We support existing employees who acquire a disability or long-term health condition, enabling them to stay in work wherever possible.

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

The Trust fosters a desire to work in partnership with its suppliers, businesses, parents and the wider community

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# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Objectives and activities**

#### Objects and aims

#### **Principal activities**

The Compass Multi-Academy Trust developed from the original group of 7 maintained schools under the executive leadership of the CEO. We are a forward thinking, innovative and creative school group, committed to achieving excellence within meaningful and empowering contexts for learning. Fundamental to our ethos is an understanding that the way we organise our schools for learning is key to educating children for the world we would wish to see them develop and thrive in. We are 'growth mindset' organisations, and we champion the message that 'everyone can'.

As a multi-academy trust, The Compass Partnership of Schools aims to retain its identity as a group, as well as to protect the unique characters of each of our schools with an agreed framework of principles and values. We firmly believe that collaboration should not equate to 'sameness'. We celebrate diversity in all its forms, and while there are very clear consistencies across our schools, these do not undermine their individuality. We are clear that we need to be unwavering about the right things and have a strong compliance framework that ensures curriculum is strong, teaching is excellent and expectations are high.

As the Trust evolves and expands, we aim to ensure that our Constitution and Articles frame our collective aspirations for the future of our schools, while centring them at the heart of their communities. We aim to be a local group of schools that develops local hubs in other locations - an integral part of education provision across Greenwich and beyond.

The Compass Partnership of Schools stands for partnership, excellence and opportunity. We aim to shape the world by empowering children to make it a more just, equitable and sustainable place for future generations to prosper in.

The Compass Partnership of Schools is passionate about securing the highest standards of provision and achievement for all children. We are committed to achieving this by creating a fully inclusive environment that actively promotes social justice and equality, thereby empowering communities who have been disadvantaged. We provide this through the creation of cognitively challenging contexts for learning that develop children's desire to learn. We believe that by encouraging children to become agents of their own learning, they are empowered to become autonomous and independent, and to respond to challenges. This in turn enables them to grow into responsible citizens who are able to contribute to today's society in a way that maximises their strengths and individual characters.

#### Objectives, strategies and activities

As a group of schools, we develop ambitious, challenging and knowledge-rich curricula that enable all children to flourish socially, spiritually, culturally, emotionally and academically. Whilst high academic attainment is important for all children's life chances, we also believe in the importance of providing a rich experience of the arts and physical development.

The Compass Partnership of Schools is committed to the very highest professional standards. We value individuality and promote the unique ethos of each school, firmly at the heart of its community. Through collaboration, we seek to build on the strengths that exist within each school so that our collective intellectual capital benefits our broader Compass community.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### The Trust Commitments

- Commitment to achieving the highest standards of inclusive provision and outcomes for all children.
- Commitment to the aims, values and ethos of the Trust.
- Commitment to the Articles, Scheme of Delegation and financial contribution (through the top-slice agreement) of the Trust.
- Commitment to the Compass Principles and to collaborative developments in pedagogy and curricula.
- Commitment to all jointly-agreed operating policies and procedures.
- Commitment to all Trust branding agreements to ensure consistency across the Trust, whilst protecting individuality and school identity.
- Commitment to locally-focused admissions criteria and nationally agreed procedures for children who are hard to place – Fair Access Protocols.
- Commitment to working in partnership with parents, carers and the local community, to ensure schools are responsive to their aspirations for their children.
- Commitment to promoting the strengths of the Trust and the benefits of collaborative development, working across the group for the good of the whole.
- Commitment to sharing staff expertise, responding to the needs of the Trust, and jointly finding solutions.
- Commitment to working with schools beyond our immediate partnership.
- Commitment to teacher and support staff pay and conditions, and to professional learning for all.
- Commitment to respecting the environment and to developing green, sustainable ways of working.

Externally validated school reviews evaluate the extent to which principles are embedded and impacting positively on provision and outcomes for all pupils.

### Public benefit

The Directors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

The Trust adopts the admission policies of the Local Authority in which it works.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Strategic report

#### Achievements and performance

Pupils enter the schools from a wide range of social, cultural and economic backgrounds. The schools pride themselves on being inclusive.

See below for the percentage of pupils eligible for free school meals, from ethnic minority backgrounds and on the Special Educational Needs register for each school:

#### Alderwood

54.69% of pupils eligible for Free Schools Meals  
50.27% of pupils from ethnic minority backgrounds  
18.23% of children on SEN register

#### Deansfield

9% of pupils eligible for FSM  
35% of pupils from ethnic minority backgrounds  
11% of children on SEN register

#### Halstow

8% of pupils eligible for Free Schools Meals  
58% of pupils from ethnic minority backgrounds  
12% of children on SEN register

#### Horn Park

43.35% of pupils eligible for Free Schools Meals  
58.72% of pupils from ethnic minority backgrounds  
16.5% of children on SEN register

#### South Rise

36.5% of pupils eligible for Free Schools Meals  
81% of pupils from ethnic minority backgrounds  
19.6% of children on SEN register

#### Wingfield

12.83% of pupils eligible for Free Schools Meals  
73.77% of pupils from ethnic minority backgrounds  
12.45% of children on SEN register

#### Willow Dene

45.9% of pupils eligible for Free Schools Meals  
75.6% of pupils from ethnic minority backgrounds  
100% of children on SEN register

To ensure that standards are continually raised the schools operate a programme of internal and external reviews of curriculum areas and have an external quality assurance review provided by our Local Authority Improvement Partner.

The individual academies within the Compass Partnership of Schools are judged by Ofsted as follows:

- Alderwood as 'Good'
- Deansfield as 'Outstanding'
- Halstow as 'Outstanding'
- South Rise as 'Good'
- Wingfield as 'Good with evidence of outstanding; reinspection within 2 years to confirm this'
- Willow Dene as 'Good with evidence of outstanding; reinspection within 2 years to confirm this'
- Horn Park as 'Good'

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### COVID

The Trust has continued to deliver high quality teaching and learning both in school and remotely as needed. Kept children, staff and adults safe. Supported parents and our communities. Governance switched to remote interaction quickly and governors and trustees have maintained effective oversight, challenge and support throughout this period. High-quality collaborative planning of core subjects was quickly established and will continue regardless of the pandemic.

Some lettings have had to discontinue which has had a budgetary impact on the schools concerned. School trips have been cancelled including school journeys. External organisations delivering certain extra-curricular and other specialist teaching and learning have been cancelled.

There has been a cost impact of additional cleaning, PPE, and hygiene materials these have been closely monitored.

The use of volunteers has been kept to a minimum during this period due to attempts to reduce chance of infection. Charlton Athletic Football Club delivered food parcels to Willow Dene families. Staff delivered food parcels and free school meal vouchers to families.

The Trust fundraising has been affected however staff and parents donated food for families that could not go to shops for supplies.

Staff have been resilient, hardworking and child focused throughout. Some staff members have felt anxious at times, particularly those with underlying medical conditions. Staff have supported parents and the wider school communities.

Pupils are happy to be in school and feel safe. Parents who have had their children at home have done a great job at supporting their child's learning. Pupils who do not have access to a device when at home may have been adversely affected as well as vulnerable pupils who have not engaged with learning despite contact from the schools

#### Key performance indicators

The main KPI is the Ofsted Framework for Inspection. Inspectors must judge the quality of education provided in the school. This is the overarching judgement.

In order to make a judgement about the quality of education provided in the school, inspectors must first make four key judgements. These are:

- the achievement of pupils at the school
- the quality of teaching in the school
- the behaviour and safety of pupils at the school
- the quality of leadership in and management of the school

In addition, inspectors must also consider:

- the spiritual, moral, social and cultural development of pupils at the school
- the extent to which the education provided by the school meets the needs of the range of pupils at the school, and in particular the needs of:
- pupils who have a disability for the purposes of the Equality Act 2010
- pupils who have special educational needs.

#### Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Directors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### Protecting the success of the Multi Academy Trust

The Trust ensures that any long term decision is financially sustainable and undertakes a thorough review of risk as part of its decision-making processes.

The Trust undertakes an annual staff survey and analyse and act on responses. Established workload and wellbeing group. Employee Assistance Service available for free to support staff with health, legal and financial matters. Consult with staff and actively seek feedback prior to implementation of new policies/ways of working.

The Trust fosters a desire to work in partnership with its suppliers, businesses, parents and the wider community.

The Trust has remained available to its communities throughout this period and will continue to support parents, families and the wider community. The Trust will be applying to the Government's energy scheme as part of its wider environmental priorities. Photocopiers and printers have been centrally procured and technology enables the trust to monitor volumes of printing, the SharePoint system enables staff to collaborate electronically and further reduces the need to print.

We continue to strive to maintain a good reputation for high standards and to conduct ourselves in line with the Nolan Principles of public life.

The Trust have a Code of Conduct in place which is observed by all members.

The Trust has continued to develop the school estates through successful CIF bids.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Financial review

The principal source of Academy's income is obtained from the Education, Skills Funding Agency (ESFA) in the form of General Annual Grant (GAG), the use of which is restricted to the Trusts educational objectives, some of which are restricted to particular purposes. For the year ended 31st August 2021 the Trust received £38,238k (2020: £21,445k) of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trusts primary objective of the provision of education

During the period ended 31 August 2021, total expenditure of £27,915k (2020: £23,525k) on general running costs and transferred £1,197k (2020: £142k) from capital grants and £442k (2020: £245k) from unrestricted reserves to support the maintenance and running costs. The excess of expenditure over income for the period (excluding pension deficit on conversion, restricted fixed asset funds and transfers to restricted fixed asset funds) was £2,814k (2020: £1,458k).

The Statement of Financial Activities shows a surplus of £7,061k (2020: Deficit £3,086k). This includes a significant actuarial loss on the defined pension of £3,262k (2020: £1,006 loss) and donated assets of £13,167k from the transfer of Wingfield Primary School, as set out in note 27. The significant change in the pension is due to changes in valuation as set out in note 19.

The Trusts unrestricted reserves brought forward were £2,336k and the carry forward was £2,999k. The surplus for year on the income fund is therefore £663k (2020: £517k)

The Academy also receives grants for capital projects from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2021 the net book value of fixed assets was £84,565k (2020: £71,802k). Movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the trust is recognising a significant pension scheme deficit of £20,709k (2020: £14,408k) as at 31 August 2021. This does not mean that an immediate liability for this amount crystallises and such a deficit is generally results in a cashflow effect in the form of increased employer contributions over a number of years

The Trust has coped well during the pandemic and although additional costs have been incurred, savings have also been made and there has not been an overall effect on reserves. The Trust is currently undergoing a period of expansion. Wingfield Primary School joined on the 1st April 2021 and an additional four schools will join the Trust on 1st January 2022. The Trust expect its current financial position to continue to flourish and its strong cash flow position to support it in its expansion.

#### Reserves policy

The Directors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors have determined that the appropriate level of free reserves should be equivalent to four weeks' expenditure, approximately £1,900 (2020: £1,800k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of unrestricted reserves of £2,999k (2020: £2,336k) (total funds less the amount held in fixed assets and restricted funds).

The Directors expect the excess in reserves to decrease over the coming years.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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The Academy held fund balances at 31 August 2021 of £66,855k(2020: £59,794k) comprising £63,856k (2020: £57,458k) of restricted funds and £2,999k (2020: £2,336k) of unrestricted general funds. Of the restricted funds, £84,565k (2020: £71,802k) is represented by tangible fixed assets and £nil of unspent capital funding (2020: £64k). The Pension reserve which is considered part of restricted funds was £20,709k (2020: £14,408k) in deficit.

#### Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Directors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

#### Principal risks and uncertainties

The principal risks to The Compass Partnership of Schools are:

1. Failure to achieve the highest quality standards for children. In order to mitigate this risk Directors ensure high quality recruitment and performance management of all senior staff. All systems and processes are focussed on school improvement, there is a rigorous monitoring and accountability system focussing on children's outcomes.
2. The rising costs of staff pensions.
3. COVID –19 and additional costs for staffing, hygiene and PPE
4. Pupil numbers in some schools remain a risk
5. Rising energy costs

The Compass Partnership of Schools has a risk register that lists the key risks and discusses mitigating factors. This is reviewed on a termly basis both in terms of ensuring that the mitigating factors are still relevant and whether any of the action plans need reviewing.

There is also a separate risk register for COVID-19.

#### Risk management

The Directors have assessed the major risks to which the Multi Academy Trust is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the trust and its finances. The Directors have implemented a number of systems to assess risks that each school faces, especially in operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors to maintain strict safeguarding protocols and manage risk. Any prospective school joining the trust has a full due diligence review to minimise any future risk to the organisation. Where there is significant financial risk the trust has ensured there is adequate insurance cover. The Compass Partnership of Schools has an effective system of internal control as described in the MAT Financial Procedures.

#### Financial and risk management objectives and policies

The financial risks to which the multi-academy trust is exposed to relate primarily to:

1. Change in government and legislation
2. Potential of reduced funding and cash flow
3. Reduction in student numbers
4. Additional costs incurred in the management of the COVID-19 pandemic and also loss of income for some schools, i.e. lettings

A risk also arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £20,709k (2020: £14,408k).

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### Streamlined energy and carbon reporting

<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year		
- Gas combustion	3,172,564	
- Fuel consumed for transport	4,532	
- Electricity purchased	3,121,908	
		6,299,004

<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	644.00	
- Fuel consumed for owned transport	60.00	
		704.00
Scope 2 - indirect emissions		
- Electricity purchased		663.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Multi Academy Trust		2.00
Total gross emissions		1,369.00

### Intensity ratio

Tonnes CO2e per pupil	54.00
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### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in Kgs CO2 equivalent per M2

### Measures taken to improve energy efficiency

The Compass Partnership of Schools continue to strive for energy and carbon reduction arising from their activities. Although no specific Principal Energy Efficiency Actions were taken during this year the schools continue to export excess generated electricity from the solar PV arrays at both Alderwood and Deansfield schools, during this financial period that amounted to 33,319 (2020:20,134) kWh's.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### **Plans for future periods**

The Trust will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its students are fully prepared for the next steps in their school life. At Board level the Trust will work with local authorities, the Department for Education, and individual schools to grow the number of schools at a manageable rate and around our hub model. The hub model allows for meaningful collaboration within a geographical locality and ensures progress is sustained in all schools.

The schools know their strengths and weaknesses based on continual self-assessment. External validation through an annual programme of review- is well used to formulate developments. The School Development Plan is succinct and well-focussed on key developmental areas and sits within the wider Trust Three Year Strategic Plan.

Subject areas that are underperforming are challenged and supported so that improvements are made. Colleagues that require support to improve their own professional practice are similarly challenged and supported. Interventions for pupils are thorough, although these are being modified to focus even more clearly of key strategic areas for improvement.

The Compass Partnership of Schools' is committed to the continual professional learning of all groups of staff. We have an extensive programme of in-house development programmes and support staff at all levels with career progression and learning. We are committed to the highest standards of professional learning as we know it is this that makes a difference to pupil engagement and outcomes.

The Trust will be working towards a full merger with The CHANGE Partnership Schools in Essex. The four CHANGE schools will transfer to the Compass Partnership on January 1st 2022. A transition plan has been developed for the Autumn Term with the Compass CEO acting as interim CEO for CHANGE and the CHANGE Finance Director acting as interim FD for Compass. The ESFA have approved both appointments.

#### **Auditor**

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 09 December 2021 and signed on its behalf by:

M Whitehead  
**Chair**

# THE COMPASS PARTNERSHIP OF SCHOOLS

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that The Compass Partnership Of Schools 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 Directors has delegated the day-to-day responsibility to the CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Compass Partnership Of Schools and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 8 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Directors	Meetings attended	Out of possible
H Lewis	8	8
L Perks (Resigned 1 July 2021)	7	7
O Ralston	8	8
C Rea	8	8
S Skidmore	8	8
M Whitehead (Chair)	8	8
N Fitzgerald	6	8
A Duguid (Resigned 4 September 2020)	0	0
A Wasik-Hyde	7	8
R Bansil (Appointed 15 October 2020)	5	8
K Muxlow (Appointed 10 December 2020 and resigned 11 March 2021)	1	1
P Brightly-Jones (Appointed 10 December 2020 and resigned 5 November 2021)	4	5
S Shah (Appointed 25 March 2021)	2	2

In the period September 2020 – August 2021 L Perks and K Muxlow resigned from the Board and K Muxlow, P Brightly-Jones and S Shah were appointed.

- The Board has undertaken the annual review of the Scheme of Delegation, continues work on its governance framework, undertaken the performance management of the CEO, Executive Headteachers and Business Team, and continued with the day-to day oversight of the group of schools.
- The Trust's data management and reporting system is highly effective and facilitates challenge.
- The Trust has evaluated effectiveness and decided to form a standards committee to strengthen its work.
- The Trust is committed to externally reviewing its work every three years

The Board met 8 times in the year. The business committee and the audit and risk committee also met on four occasions. The Pay & Personnel (sub-committee of Business) & Standards Committees both met on three occasions. There is a continued dialogue between the committees and the full Board and any issues or concerns are also discussed as and when required.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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The business committee is a sub-committee of the main Board of Directors. Its purpose is to ensure the appropriate use of trust funds in accordance with Financial Policy and Governance. It will review and recommend budgets to the Board and to monitor through the production of monthly management accounts. This committee also has oversight of Health and Safety, Assets and Estate management.

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
H Lewis	4	4
L Perks (Resigned 1 July 2021)	3	4
S Skidmore	4	4
M Whitehead (Chair)	4	4
N Fitzgerald	2	4
S Shah (Appointed 25 March 2021)	1	1

The audit committee is a sub-committee of the main Board of Directors.

The audit and risk committee purpose is to review all documents involving internal and external audit, risk and financial policies. It will appoint and set the program and review the outcomes from internal audit. It will appoint, review planning, receive and review the management letter produced by the external auditor. The audit and risk committee will also review levels of risk and financial policies.

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
O Ralston	4	4
C Rea	4	4
A Wasik-Hyde	4	4

#### Review of value for money

As accounting officer, the CEO has responsibility for ensuring that the Multi 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 directors where value for money can be improved, including the use of benchmarking data where available.

#### 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 Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Compass Partnership Of Schools for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Capacity to handle risk**

The Board of Directors has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Directors.

### **The risk and control framework**

The Multi 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 Directors;
- regular reviews by the business committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and have appointed Alan Patient & Co Limited. Their 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 include:

- Testing of control systems
- Testing of control account/ bank reconciliation
- Review of policies and procedures and adherence thereon
- Review of governance and training of Governors

Alan Patient & Co Limited reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board's financial responsibilities.

The Trust confirms the internal auditor has delivered their schedule of work as planned and no material control issues arose as a result of the internal auditor's work.

Other reviews that took place within the year include

Schools Health and Safety audits

Support and Challenge meeting led by the CEO and an external improvement partner

Some schools receiving safeguarding audits

All schools (except Wingfield) received a Challenge Partners QA review

### **Review of effectiveness**

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

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

# THE COMPASS PARTNERSHIP OF SCHOOLS

## GOVERNANCE STATEMENT (CONTINUED)

***FOR THE YEAR ENDED 31 AUGUST 2021***

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

Approved by order of the Board of Directors on 09 December 2021 and signed on its behalf by:

M Whitehead  
**Chair**

J Camp  
**Accounting Officer**

# THE COMPASS PARTNERSHIP OF SCHOOLS

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2021*

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

I confirm that I and the Multi Academy Trust's Board of Directors are able to identify any material irregular or improper use of funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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

J Camp  
**Accounting Officer**

09 December 2021

# THE COMPASS PARTNERSHIP OF SCHOOLS

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 AUGUST 2021*

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The directors (who also act as trustees for The Compass Partnership of Schools) are responsible for preparing the Directors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 Directors to prepare accounts for each financial year. Under company law, the Directors must not approve the accounts 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 accounts, the Directors are required to:

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

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

The Directors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Directors on 09 December 2021 and signed on its behalf by:

M Whitehead  
**Chair**

# THE COMPASS PARTNERSHIP OF SCHOOLS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMPASS PARTNERSHIP OF SCHOOLS

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Opinion

We have audited the accounts of The Compass Partnership of Schools for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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 the Academies Accounts Direction 2020 to 2021.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Multi Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### Other information

The Directors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMPASS PARTNERSHIP OF SCHOOLS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

### **Responsibilities of Directors**

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the accounts**

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMPASS PARTNERSHIP OF SCHOOLS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

### **Use of our report**

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

**Michelle Wilkes FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

14 December 2021

**Chartered Accountants**  
**Statutory Auditor**

Greytown House  
221-227 High Street  
Orpington  
Kent  
United Kingdom  
BR6 0NZ

# THE COMPASS PARTNERSHIP OF SCHOOLS

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE COMPASS PARTNERSHIP OF SCHOOLS AND THE EDUCATION AND SKILLS FUNDING AGENCY

**FOR THE YEAR ENDED 31 AUGUST 2021**

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In accordance with the terms of our engagement letter dated 2 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Compass Partnership of Schools during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Compass Partnership of Schools and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Compass Partnership of Schools and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Compass Partnership of Schools and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Compass Partnership of Schools's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Compass Partnership of Schools's funding agreement with the Secretary of State for Education dated 28 June 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE COMPASS PARTNERSHIP OF SCHOOLS AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

***FOR THE YEAR ENDED 31 AUGUST 2021***

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### **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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

### **Reporting Accountant**

Azets Audit Services  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ  
United Kingdom

Dated: 14 December 2021

# THE COMPASS PARTNERSHIP OF SCHOOLS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	75	14	1,399	1,488	463
Donations - transfer from local authority on conversion	27	426	(759)	13,500	13,167	-
Charitable activities:						
- Funding for educational operations	4	-	22,763	-	22,763	20,218
Other trading activities	5	820	-	-	820	757
Investments	6	-	-	-	-	7
<b>Total</b>		<u>1,321</u>	<u>22,018</u>	<u>14,899</u>	<u>38,238</u>	<u>21,445</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	9	<u>216</u>	<u>26,696</u>	<u>1,003</u>	<u>27,915</u>	<u>23,525</u>
<b>Total</b>	7	<u>216</u>	<u>26,696</u>	<u>1,003</u>	<u>27,915</u>	<u>23,525</u>
<b>Net income/(expenditure)</b>		1,105	(4,678)	13,896	10,323	(2,080)
Transfers between funds	17	(442)	1,639	(1,197)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	19	<u>-</u>	<u>(3,262)</u>	<u>-</u>	<u>(3,262)</u>	<u>(1,006)</u>
<b>Net movement in funds</b>		663	(6,301)	12,699	7,061	(3,086)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>2,336</u>	<u>(14,408)</u>	<u>71,866</u>	<u>59,794</u>	<u>62,880</u>
Total funds carried forward		<u>2,999</u>	<u>(20,709)</u>	<u>84,565</u>	<u>66,855</u>	<u>59,794</u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2020 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	223	-	240	463
Charitable activities:					
- Funding for educational operations	4	-	20,218	-	20,218
Other trading activities	5	757	-	-	757
Investments	6	7	-	-	7
<b>Total</b>		987	20,218	240	21,445
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	9	225	22,438	862	23,525
<b>Total</b>	7	225	22,438	862	23,525
<b>Net income/(expenditure)</b>		762	(2,220)	(622)	(2,080)
Transfers between funds	17	(245)	387	(142)	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	19	-	(1,006)	-	(1,006)
<b>Net movement in funds</b>		517	(2,839)	(764)	(3,086)
<b>Reconciliation of funds</b>					
Total funds brought forward		1,819	(11,569)	72,630	62,880
Total funds carried forward		2,336	(14,408)	71,866	59,794

# THE COMPASS PARTNERSHIP OF SCHOOLS

## BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	13		84,565		71,802
<b>Current assets</b>					
Debtors	14	1,296		672	
Cash at bank and in hand		3,596		3,084	
		4,892		3,756	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(1,893)		(1,356)	
<b>Net current assets</b>			2,999		2,400
<b>Net assets excluding pension liability</b>			87,564		74,202
Defined benefit pension scheme liability	19		(20,709)		(14,408)
<b>Total net assets</b>			66,855		59,794
<b>Funds of the Multi Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			84,565		71,866
- Pension reserve			(20,709)		(14,408)
<b>Total restricted funds</b>			63,856		57,458
<b>Unrestricted income funds</b>	17		2,999		2,336
<b>Total funds</b>			66,855		59,794

The accounts on pages 26 to 53 were approved by the Directors and authorised for issue on 09 December 2021 and are signed on their behalf by:

M Whitehead  
Chair

Company Number 10360957

# THE COMPASS PARTNERSHIP OF SCHOOLS

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £'000	£'000	2020 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	20		(916)		577
Cash funds transferred on conversion			426		-
			(490)		577
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		-		7	
Capital grants from DfE Group		1,156		240	
Capital funding received from sponsors and others		37		-	
Purchase of tangible fixed assets		(191)		(194)	
<b>Net cash provided by investing activities</b>			1,002		53
<b>Net increase in cash and cash equivalents in the reporting period</b>			512		630
Cash and cash equivalents at beginning of the year			3,084		2,454
<b>Cash and cash equivalents at end of the year</b>			3,596		3,084

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

The Compass Partnership of Schools is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Directors' report.

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

##### 1.1 Basis of preparation

The accounts of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 Going concern

The Directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

##### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from WIngfield Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 27.

##### 1.4 Income

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

##### Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

(Continued)

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 Multi Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Multi Academy Trust's accounting policies.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

(Continued)

##### Charitable activities

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

#### 1.6 Tangible fixed assets and depreciation

Assets costing more than £5,000 for an individual item or £10,000 for a group of items are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities.

The properties have been included at the valuation provided by the ESFA when completing their desktop valuation.

On conversion the academies entered into 125 year leases on their land and buildings with the London Borough of Greenwich.

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

Land and buildings	2% straight line (buildings only)
Computer equipment	33% straight line
Fixtures, fittings & equipment	20 % straight line
Motor vehicles	20% straight line

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

#### 1.7 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 Multi Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### 1.8 Leased assets

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

#### 1.9 Financial instruments

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

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

(Continued)

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.10 Taxation

The Multi Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Multi Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

#### 1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Multi 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 based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

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

#### 1.12 Fund accounting

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

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **1 Accounting policies**

**(Continued)**

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

### **2 Critical accounting estimates and areas of judgement**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

##### *Bad debts*

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Donated fixed assets	-	14	14	-
DfE donated laptops	-	75	75	-
Capital grants	-	1,287	1,287	240
Other donations	75	37	112	223
	<u>75</u>	<u>1,413</u>	<u>1,488</u>	<u>463</u>

### 4 Funding for the Multi Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	12,928	12,928	11,669
Other DfE / ESFA grants:				
UFSM	-	369	369	321
Pupil premium	-	940	940	875
DfE teaching grants	-	148	148	164
Teachers pension grants	-	360	360	360
Teachers pay grants	-	120	120	119
PE and sports premium	-	123	123	115
Rates	-	96	96	2
Others	-	10	10	1
	<u>-</u>	<u>15,094</u>	<u>15,094</u>	<u>13,626</u>
<b>Other government grants</b>				
Local authority grants	-	7,426	7,426	6,588
<b>Exceptional government funding</b>				
Coronavirus job retention scheme grant	-	4	4	2
Coronavirus exceptional support	-	239	239	2
	<u>-</u>	<u>243</u>	<u>243</u>	<u>4</u>
<b>Total funding</b>	<u>-</u>	<u>22,763</u>	<u>22,763</u>	<u>20,218</u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 4 Funding for the Multi Academy Trust's educational operations (Continued)

The academy trust received £233k of Covid Catch up funding, the full amount was spent in the year.

The academy Trust also received £6k for mass testing.

Last year, the funding received for coronavirus exceptional support covers £2k of cleaning costs. These costs are included in notes 7 and 9 below as appropriate.

The academy furloughed one of its after school staff under the government's CJRS. The funding received of £4k (2020: £2k) relates to staff costs in respect of this member of staff which are included within note 10 below as appropriate.

#### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	36	-	36	45
Catering income	110	-	110	136
School to School Support	51	-	51	129
Other income	623	-	623	447
	<u>820</u>	<u>-</u>	<u>820</u>	<u>757</u>

#### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	-	-	-	7
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>

#### 7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2021 £'000	Total 2020 £'000
Academy's educational operations					
- Direct costs	15,725	827	848	17,400	15,420
- Allocated support costs	5,590	3,231	1,694	10,515	8,105
	<u>21,315</u>	<u>4,058</u>	<u>2,542</u>	<u>27,915</u>	<u>23,525</u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	23	22
- Other services	3	7
Depreciation of tangible fixed assets	1,003	862
Net interest on defined benefit pension liability	242	215
	<u>      </u>	<u>      </u>

### 8 Central services

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

- Executive Leadership
- Central business Team
- Governance
- IT support
- Project management of CIF projects
- Funding towards building projects
- Marketing materials and website
- Promotion of school improvement courses
- Premises support
- Curriculum support

The Multi Academy Trust charges for these services on the following basis:

- 5% of GAG income

The amounts charged during the year were as follows:	2021 £'000	2020 £'000
Alderwood Primary School	65	69
Deansfield Primary School	92	90
Halstow Primary School	89	91
Horn Park Primary School	96	115
South Rise Primary School	146	159
Willow Dene School	129	129
Wingfield Primary School	57	-
	<u>      </u>	<u>      </u>
	674	653
	<u>      </u>	<u>      </u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Direct costs</b>				
Educational operations	3	17,397	17,400	15,420
<b>Support costs</b>				
Educational operations	213	10,302	10,515	8,105
	<u>216</u>	<u>27,699</u>	<u>27,915</u>	<u>23,525</u>
			<b>2021</b>	<b>2020</b>
			<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>				
Support staff costs			5,590	4,787
Depreciation			176	121
Technology costs			326	271
Premises costs			3,055	1,584
Legal costs			14	10
Other support costs			1,306	1,279
Governance costs			48	53
			<u>10,515</u>	<u>8,105</u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	14,521	12,857
Social security costs	1,352	1,195
Pension costs	5,058	4,291
Staff costs - employees	20,931	18,343
Agency staff costs	376	238
Staff restructuring costs	8	-
Staff development and other staff costs	21,315	18,581
	52	72
Total staff expenditure	21,367	18,653
Staff restructuring costs comprise:		
Redundancy payments	8	-

#### Staff numbers

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

	2021 Number	2020 Number
Teachers	157	182
Administration and support	391	385
Management	45	40
	593	607

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 10 Staff

(Continued)

#### Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	18	10
£70,001 - £80,000	7	4
£80,001 - £90,000	5	1
£90,001 - £100,000	-	2
£100,001 - £110,000	4	1
£110,001 - £120,000	-	1
£140,001 - £150,000	1	1

#### Key management personnel

The key management personnel of the Multi Academy Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Multi Academy Trust was £766k (2020: £720k). The Compass Partnership of schools set pay according to the STPCD. Changes in the numbers of leaders in each category is the result of the nationally agreed pay award.

### 11 Directors' remuneration and expenses

One or more of the Directors has been paid remuneration or has received other benefits from an employment with the Multi Academy Trust. The Chief Financial Officer and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Chief Financial Officer and staff members under their contracts of employment, and not in respect of their services as Directors.

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

#### J Camp (Chief Executive Officer)

- Remuneration: £140,001 - £145,000 (2020: £140,001 - £145,000)
- Employers pension contributions £30,001 - £35,000 (2020: £10,000 - £15,000)

#### M Bernard (Staff- resigned July 2020)

- Remuneration: £nil (2020: £100,001 - £105,000)
- Employers pension contributions £nil (2020: £10,000 - £15,000)

During the year no expenses were reimbursed to governors (2020: £51 reimbursed to 1 governor for travel expenses).

Other related party transactions involving the governors are set out within the related parties note.

### 12 Directors' and officers' insurance

The Multi 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 Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Multi Academy Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 September 2020	73,870	228	327	62	74,487
Transfer on conversion	13,500	-	-	-	13,500
Additions	-	107	122	37	266
At 31 August 2021	87,370	335	449	99	88,253
<b>Depreciation</b>					
At 1 September 2020	2,347	151	139	48	2,685
Charge for the year	827	80	77	19	1,003
At 31 August 2021	3,174	231	216	67	3,688
<b>Net book value</b>					
At 31 August 2021	84,196	104	233	32	84,565
At 31 August 2020	71,523	77	188	14	71,802

Included in land and buildings is land valued at £39,968k (2020: £36,808k) which is not depreciated.

### 14 Debtors

	2021 £'000	2020 £'000
VAT recoverable	135	173
Other debtors	426	86
Prepayments and accrued income	735	413
	1,296	672

### 15 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Other taxation and social security	371	303
Other creditors	496	552
Accruals and deferred income	1,026	501
	1,893	1,356

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 16 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	368	247
	=====	=====
Deferred income at 1 September 2020	247	243
Released from previous years	(247)	(243)
Resources deferred in the year	368	247
	=====	=====
<b>Deferred income at 31 August 2021</b>	<b>368</b>	<b>247</b>
	=====	=====

At the balance sheet date the Academy Trust was holding funds received in advance for universal infant free school meals and Local Authority grants relating to financial year 2021/22.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 17 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	12,928	(14,567)	1,639	-
Pupil Premium	-	940	(940)	-	-
UIFSM	-	369	(369)	-	-
Teachers Pension grant	-	360	(360)	-	-
Teachers Pay grant	-	120	(120)	-	-
Sports Premium	-	123	(123)	-	-
Rates	-	96	(96)	-	-
Covid support	-	239	(239)	-	-
Other DfE / ESFA grants	-	158	(158)	-	-
Other government grants	-	7,430	(7,430)	-	-
Other restricted funds	-	14	(14)	-	-
Pension reserve	(14,408)	(759)	(2,280)	(3,262)	(20,709)
	<u>(14,408)</u>	<u>22,018</u>	<u>(26,696)</u>	<u>(1,623)</u>	<u>(20,709)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	-	13,500	-	(13,500)	-
DfE group capital grants	64	1,287	-	(1,351)	-
General Fixed assets	71,802	112	(1,003)	13,654	84,565
	<u>71,866</u>	<u>14,899</u>	<u>(1,003)</u>	<u>(1,197)</u>	<u>84,565</u>
<b>Total restricted funds</b>	<u>57,458</u>	<u>36,917</u>	<u>(27,699)</u>	<u>(2,820)</u>	<u>63,856</u>
<b>Unrestricted funds</b>					
General funds	2,336	1,321	(216)	(442)	2,999
	<u>2,336</u>	<u>1,321</u>	<u>(216)</u>	<u>(442)</u>	<u>2,999</u>
<b>Total funds</b>	<u>59,794</u>	<u>38,238</u>	<u>(27,915)</u>	<u>(3,262)</u>	<u>66,855</u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### 17 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

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

Pupil Premium, UIFSM, Teachers pension grant, Teachers pay grant, Sports premium, rates and Covid support: Income received from the ESFA as described.

Other DFE/ ESFA grants: This includes teaching school income and KS income.

Other government grants: This includes early years, pupil premium, High Needs and growth fund from the Local Authority.

DFE group capital grants: This includes devolved formula capital and CIF grants.

The transfer of funds relates to purchase of and transfer of fixed assets between funds and overspend on GAG.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 17 Funds

(Continued)

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	11,669	(12,056)	387	-
Pupil Premium	-	875	(875)	-	-
UIFSM	-	321	(321)	-	-
Teachers Pension grant	-	360	(360)	-	-
Teachers Pay grant	-	119	(119)	-	-
Sports Premium	-	115	(115)	-	-
Rates	-	2	(2)	-	-
Other DfE / ESFA grants	-	165	(165)	-	-
Other government grants	-	6,592	(6,592)	-	-
Pension reserve	(11,569)	-	(1,833)	(1,006)	(14,408)
	<u>(11,569)</u>	<u>20,218</u>	<u>(22,438)</u>	<u>(619)</u>	<u>(14,408)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	160	240	-	(336)	64
General Fixed assets	72,470	-	(862)	194	71,802
	<u>72,630</u>	<u>240</u>	<u>(862)</u>	<u>(142)</u>	<u>71,866</u>
<b>Total restricted funds</b>	<u>61,061</u>	<u>20,458</u>	<u>(23,300)</u>	<u>(761)</u>	<u>57,458</u>
<b>Unrestricted funds</b>					
General funds	1,819	987	(225)	(245)	2,336
<b>Total funds</b>	<u>62,880</u>	<u>21,445</u>	<u>(23,525)</u>	<u>(1,006)</u>	<u>59,794</u>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 17 Funds

(Continued)

#### Total funds analysis by academy

	2021 £'000	2020 £'000
Fund balances at 31 August 2021 were allocated as follows:		
Alderwood Primary School	1	1
Deansfield Primary School	1	1
Halstow Primary School	1	1
Horn Park Primary School	1	1
South Rise Primary School	1	1
Willow Dene School	1	1
Wingfield Primary School	1	-
Central services	2,992	2,330
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	2,999	2,336
Restricted fixed asset fund	84,565	71,866
Pension reserve	(20,709)	(14,408)
	<hr/>	<hr/>
Total funds	66,855	59,794
	<hr/>	<hr/>

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
Alderwood Primary School	1,121	203	20	321	1,665	1,573
Deansfield Primary School	1,514	386	20	466	2,386	2,277
Halstow Primary School	1,341	270	26	574	2,211	2,231
Horn Park Primary School	1,753	289	33	371	2,446	2,372
South Rise Primary School	2,719	419	44	561	3,743	3,513
Willow Dene School	5,938	1,488	189	1,099	8,714	7,733
Wingfield Primary School	886	263	45	210	1,404	-
Central services	453	2,272	-	1,618	4,343	2,278
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	15,725	5,590	377	5,220	26,912	21,977
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	84,565	84,565
Current assets	2,999	1,893	-	4,892
Creditors falling due within one year	-	(1,893)	-	(1,893)
Defined benefit pension liability	-	(20,709)	-	(20,709)
<b>Total net assets</b>	<b>2,999</b>	<b>(20,709)</b>	<b>84,565</b>	<b>66,855</b>
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	71,802	71,802
Current assets	2,336	1,356	64	3,756
Creditors falling due within one year	-	(1,356)	-	(1,356)
Defined benefit pension liability	-	(14,408)	-	(14,408)
<b>Total net assets</b>	<b>2,336</b>	<b>(14,408)</b>	<b>71,866</b>	<b>59,794</b>

### 19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £376k were payable to the schemes at 31 August 2021 (2020: £316k) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Pension and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,816k (2020: £1,580k).

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.5% for employers and 5.5% to 12.5% for employees.

As described in note 27 the LGPS obligation relates to the employees of the Multi Academy Trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Multi Academy Trust at the balance sheet date.

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.

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	1,203	1,114
Employees' contributions	387	347
Total contributions	1,590	1,461

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.85	3.25
Rate of increase for pensions in payment/inflation	2.55	2.25
Discount rate for scheme liabilities	1.7	1.65

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

	2021 Years	2020 Years
Retiring today		
- Males	20.9	20.9
- Females	23.6	23.6
Retiring in 20 years		
- Males	22.4	22.4
- Females	25.2	25.1

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021 £'000	2020 £'000
Discount rate + 0.1%	-979	-688
Discount rate - 0.1%	1008	709
Mortality assumption + 1 year	1420	1028
Mortality assumption - 1 year	-1356	-987
Salary rate + 0.1%	72	57
Salary rate - 0.1%	-71	-57
Pension rate + 0.1%	924	647
Pension rate - 0.1%	-898	-628

#### The Multi Academy Trust's share of the assets in the scheme

	2021 Fair value £'000	2020 Fair value £'000
Equities	8,847	948
Other Bonds	2,405	1,939
Unitised Insurance Policies	-	4,014
UK & Overseas Unit Trusts	1,789	2,395
Property	1,329	1,024
Other assets	235	89
Total market value of assets	14,605	10,409

The actual return on scheme assets was £2,006,000 (2020: £2,360,000).

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	3,237	2,732
Past service cost	4	-
Interest income	(180)	(134)
Interest cost	422	349
Total operating charge	3,483	2,947

Changes in the present value of defined benefit obligations	2021 £'000
At 1 September 2020	24,817
Obligations acquired on conversion	1,420
Current service cost	3,237
Interest cost	422
Employee contributions	387
Actuarial loss	5,088
Benefits paid	(61)
Past service cost	4
At 31 August 2021	35,314

Changes in the fair value of the Multi Academy Trust's share of scheme assets	2021 £'000
At 1 September 2020	10,409
Assets acquired on conversion	661
Interest income	180
Actuarial gain	1,826
Employer contributions	1,203
Employee contributions	387
Benefits paid	(61)
At 31 August 2021	14,605

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

<b>20 Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>		
	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	10,323	(2,080)
Adjusted for:		
Net surplus on conversion to academy	(13,167)	-
Capital grants from DfE and other capital income	(1,399)	(240)
Investment income receivable	-	(7)
Defined benefit pension costs less contributions payable	2,038	1,618
Defined benefit pension scheme finance cost	242	215
Depreciation of tangible fixed assets	1,003	862
(Increase) in debtors	(493)	(212)
Increase in creditors	537	421
<b>Net cash (used in)/provided by operating activities</b>	<b>(916)</b>	<b>577</b>

<b>21 Analysis of changes in net funds</b>	<b>1 September 2020</b>	<b>Cash flows</b>	<b>31 August 2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash	3,084	512	3,596

## 22 Contingent liabilities

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

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

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 23 Long-term commitments, including operating leases

At 31 August 2021 the total of the Multi Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	24	33
Amounts due in two and five years	20	31
	<hr/> 44	<hr/> 64

#### 24 Related party transactions

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

The wife of Mr H Lewis is employed by the Trust as an Assistant Head. The appointment was made in open competition and the Director was not involved in the decision-making process regarding appointment. She is paid within the normal salary scale for her role and receive no special treatment as a result of being related to a Director.

During the year Endeavour Partnership Trust provided financial services support amounting to £15,780 (2020: £15,780), Mr J Camp is a Director of Endeavour Partnership Trust.

#### 25 Post balance sheet events

The Trust will be working towards a full merger with The CHANGE Partnership Schools in Essex. The four CHANGE schools will transfer to the Compass Partnership on January 1st 2022.

#### 26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

# THE COMPASS PARTNERSHIP OF SCHOOLS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 27 Conversion to an academy

On 1 April 2021 the Wingfield Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Compass Partnership of Schools from the Royal Borough of Greenwich, Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

<b>Academy</b>	<b>Location</b>	<b>Date of conversion</b>		
Wingfield Primary School	Greenwich	1 April 2021		

  

	<b>Unrestricted funds</b>	<b>Restricted funds:</b>		<b>Total</b>
	<b>£'000</b>	<b>General</b>	<b>Fixed asset</b>	<b>2021</b>
<b>Net assets transferred:</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Freehold land and buildings	-	-	13,500	13,500
Cash	426	-	-	426
Pension scheme deficit	-	(759)	-	(759)
	<u>426</u>	<u>(759)</u>	<u>13,500</u>	<u>13,167</u>
	<u><u>426</u></u>	<u><u>(759)</u></u>	<u><u>13,500</u></u>	<u><u>13,167</u></u>

  

	<b>Unrestricted funds</b>	<b>Restricted funds:</b>		<b>Total</b>
	<b>£'000</b>	<b>General</b>	<b>Fixed asset</b>	<b>2021</b>
<b>Funds surplus/(deficit) transferred:</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fixed assets funds	-	-	13,500	13,500
LA budget funds	426	-	-	426
LGPS pension funds	-	(759)	-	(759)
	<u>426</u>	<u>(759)</u>	<u>13,500</u>	<u>13,167</u>
	<u><u>426</u></u>	<u><u>(759)</u></u>	<u><u>13,500</u></u>	<u><u>13,167</u></u>