

Company Registration No. 08114513 (England and Wales)



**APOLLO PARTNERSHIP ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

APOLLO PARTNERSHIP ACADEMY TRUST

TRUST INFORMATION

| | |
|---|--|
| Members | S Phelps A Pritchard S Reed A Stephenson |
| Trustees | M Worrell (Chairperson) J Knifton (Vice chairperson) R Cairns R Dennis A Presland A Pritchard G Stacey P Weston (resigned 31 August) |
| Chief Executive Officer and ex officio Trustee | J Patrick |
| Trust Leadership Team (TLT) | |
| J Patrick M Adams K Farragher M Gamble R Prior S McDonough | Chief Executive Officer & Executive Secondary Headteacher Chief Finance and Operations Director Head of School, Newbridge School Head of School Castle Rock School Primary Lead & Headteacher, Broom Leys Primary School Trust Governance Officer |
| Company Secretary | M Adams |
| Company registration number | 08114513 (England and Wales) |
| Registered office | Meadow Lane Coalville Leicestershire LE67 4BR |
| Independent auditor | RSM UK Audit LLP St Philips Point Temple Row Birmingham West Midlands B2 5AF |
| Bankers | Lloyds Bank plc |

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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

At the beginning of the financial year the trust comprised 2 secondary and 1 primary academy covering the age range of 4-14 and including the following:

- Broom Leys Primary School Academy
- Castle Rock High School Academy
- Newbridge High School Academy

On the 1 March 2020 an additional secondary Academy, King Edward VII College, joined the Trust with an age range of 14-18. The Academy joined with the Castle Rock High School Academy to form The Castle Rock School Academy from 24 August 2020.

At 1 September 2019, the academies had a combined pupil capacity of 1785. This increased to 2,978 with the addition of King Edward VII College. The Trust had a roll of 2443 in the census at January 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Apollo Partnership Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Apollo Partnership Academy Trust. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring, whilst on Academy Trust business.

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

Method of recruitment and appointment or election of trustees

The Trustees may appoint up to 10 Trustees. The Chief Executive Officer shall be treated for all purposes as being an ex-officio Trustee.

The Members select Trustees based on the skills of the Board with a focus on appointing Trustees to fill skills gaps identified through the annual Trustee skills audit and having regard to the current needs and strategic priorities of the Trust.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

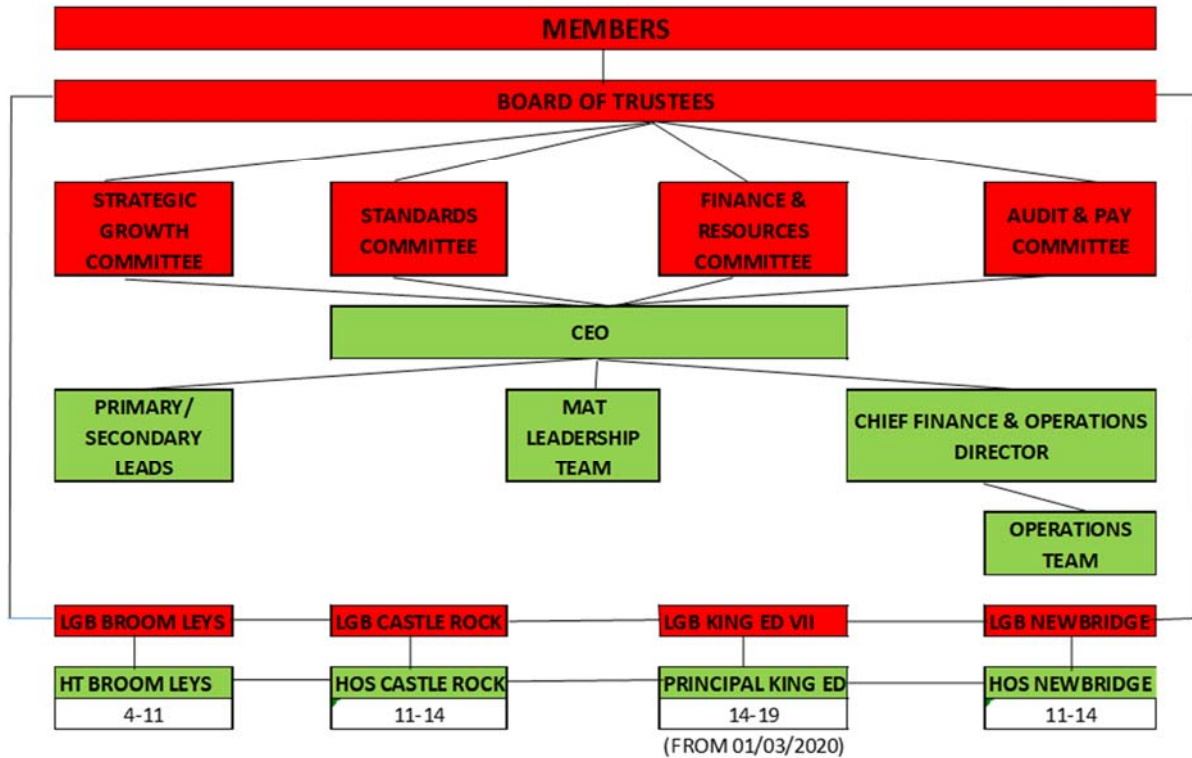
FOR THE YEAR ENDED 31 AUGUST 2020

Method of recruitment and appointment or election of trustees (continued)

New Trustees are appointed by the Member Board, usually for a four year term of office, at the expiry of which they are eligible for re-appointment for a period of 4 years.

APOLLO PARTNERSHIP TRUST

PHASE 1 - 2019/20



Policies and procedures adopted for the induction and training of trustees

Trustees attend full Board meetings and are appointed to one or more of the four Board Committees, usually according to their interests and personal expertise. All Trustees take the opportunity to participate in planned Visits to Trust schools and to join induction days for new Trustees and staff and are given access to and briefed on Trust Policies and relevant handbooks. All Trustees are supported by the Trustee nominated by the Board to lead Trustee and Governor training.

Trustees attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date. Arrangements are in place to provide briefings for Trustees and the Trust Leadership Team based around areas of educational interest and/or concern and to identify development opportunities in, for example, Trust governance. An Annual Trustee and Governor Training Programme, some elements of which will be mandatory, is being developed.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure and Management

Trustees

Trustees form the Trust Board, which in discussion with the Chief Executive sets and is responsible for the organisational structure of the Trust. Through the Trust Board, Trustees agree strategic direction and key strategic goals. These are captured in the Trust Strategic Plan which is reviewed annually. It is through the Plan and supporting objectives that Trustees hold the Executive to account for performance.

The Scheme of Delegation (“the Scheme”) is agreed by the Trust Board: this delegates all operational decision making to the Executive, through the Chief Executive, who is also the Trust Accounting Officer. The Scheme, which is also reviewed annual by Trustees, reserves key decisions (including approval and delegation of Trust Policies) to the Trust Board.

Trustees also approve the annual Trust Budget, capital expenditure and senior staff appointments. Once agreed, individual Academy budgets are devolved to each Local Governing Body and monitored by the Board.

To support the strategic role of the Trust Board, four Board Committees have been established. Their role is to undertake detailed review of, provide assurance and make recommendations to the Board on, the issues within their respective remits. The work of the Committees is supplemented by appointment of task and finish Working Parties. These are appointed from time to time to examine and make recommendations on specific issues that require more detailed consideration by Trustees. Through the Scheme of Delegation, the Board sets formal Terms of Reference of each Committee. During 2019 / 2020, Board Committees were:

- Audit & Pay
- Finance & Resources
- Strategic Growth
- Standards

The Trust Board also appoints committees (Local Governing Bodies (LGBs)) for each individual Academy. These operate within the Scheme and the Terms of Reference approved by the Trust Board. The Trust Board meets a minimum of six times each year. They receive the recommendations and assurance reports from Board and LGB Committees and take decisions reserved to the Board under the Scheme. Each Board Committees, including LGBs, meets a minimum of three times a year (termly).

The Board reviewed this arrangement during the year and, from September 2020, a new Committee structure with revised Terms of Reference was implemented.

The Trust Leadership Team (TLT)

The Trust Leadership Team comprises the Chief Executive Officer, Chief Finance & Operations Director, Headteacher & Primary Lead, two Heads of School and the Trust Governance Officer. This Group works closely with the Trust Board and, through the Scheme, manages the Trust at operational level, implementing the policies set by the Board and reporting progress, developments and assurance towards Board objectives and delegated actions through the Committee structure.

TLT devolves responsibility and encourages decision making at all levels of the organisation. Subject to the direction of the Chief Executive, Curriculum Leaders within academies are responsible for the day to day operation of curriculum subject areas, under the overall management of the Headteacher or Head of School who also organise their teaching staff, capitation resources, facilities and students.

In addition to TLT, a number of key staff work strategically across the Trust, supporting the academies. These include the following posts:

- ICT Across the Curriculum
- Director of SEN
- Trust Human Resource & DPO Officer
- Trust Administrator – Julie Read

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust Leadership Team (TLT) (continued)

These additional posts provide strategic support to our academies, Trust Leadership Team and Board of Trustees. Their work is focussed on improving performance and ensuring consistency across our Trust.

Education Provision: Specialist Leaders in Education

The Trust is pleased to have six Specialist Leaders of Education (SLEs) in addition to a Mathematics Mastery Specialist Practitioner, a National Centre for Excellence in Teaching of Mathematics (NCETM) Professional Development Lead and a Mastery Mathematics Specialist for the Maths Hub (East Midlands South) for which they lead training and run Teacher Research Groups.

In 2019 and 2020 two members of staff were awarded respectively the Bronze (2019) and Silver (2020) BTEC Teacher of the Year Award.

The Trust is also fortunate to have a number of specialist teaching support in Emotional Literacy, Philosophy 4 Children and a spectrum of Special Educational Needs specialist training across all academies.

Our academies actively take part in educational research with organisations such as Challenge Partners and Education Endowment Foundation (EEF).

Arrangements for setting pay and remuneration of key management personnel

During the year, the arrangements for setting the pay and remuneration of the Trust's key management personnel were decided by the Audit & Pay Committee* (comprising 3 Trustees). A robust system of Performance Management for teachers, linked to individual targets and objectives derived from the Trust Strategic Plan is in place.

Internal Audit

In November 2017 the Trust appointed internal auditors whose role was to work with Trustees to provide and support independent audit and oversight of systems, processes of control and risk management arrangements. In accordance with good practice the current contract is currently under review by Trustees.

During the year, the terms of reference for the Audit & Pay Committee* were as follows:

- To prepare and submit recommendations for the adoption by the Trust Board of:
 - an Appraisal/ Performance Management Policy
 - a pay policy for the Academies
- To operate in accordance with the statutory appraisal regulations and the relevant Academy's adopted policy;
- to select an external adviser to advise the Committee undertaking the appraisal of the CEO & CFOD where relevant;
- to take advice from any appointed external adviser when agreeing objectives and reviewing the CEO's & CFOD's performance and where appropriate to agree performance objectives with the CEO;
- to conduct the CEO's and approve the CEO's appraisal of the CFOD and any other Trust level staff;
- to determine whether the outcome of the CEO's & CFOD's appraisal meets the criteria for pay progression as covered under the adopted pay policy;
- to support the CEO with the annual report to the Board on appraisal arrangements and outcomes of cross trust staff;
- a panel selected from the Committee to hear any appeal by a member of cross trust staff against entries made within their appraisal statement;
- To moderate pay decisions across the Academies and provide guidance and support to the LGB's once a review of each review is undertaken:
- A panel selected from the Committee to hear any appeal by a teacher employed at Trust level against the outcome of their threshold assessment application;
- To ensure all academies within the Trust report the outcomes of the LGB Pay Committees including details of any Appeals required;

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Internal Audit (continued)

- To determine annually, in accordance with the School Teachers' Pay and Conditions Document the Appraisal and Pay Policies adopted by the Academy and the Academy's salaries budget, the salaries of teaching staff;
- To determine annually, in accordance with the adopted Pay Policy and any appropriate regulations and agreements and within the Academies salaries budget, the salaries and grading's of support staff;
- To ensure that all mid-term Reviews of Performance Management & Appraisal are undertaken by academies within the Trust including any other reviews required outside of the normal timeline are conducted timely, fairly and accurately e.g. Maternity Leave requirements etc.;
- To deal with any other matters relating to pay, appraisal and employment as may be referred by the Board.

*From September 2020 the Committee will be replaced by:

- Audit and Risk Committee and
- People and Remuneration Committee

Pay & Benefits for Staff

We published our reports on the gender pay gap within the trust. These reports include the action we will take to improve any areas identified.

All our staff are employed on recognised National pay/benefits terms through the Green Book for support staff and the STCPD for our teaching staff.

Equality

The trust is committed to promoting the welfare and equality of its staff, pupils and other member of the academy community. The Trust Equality Policy describes the protected characteristics such as age, disability, ethnicity, gender reassignment, marriage and civil partnerships, pregnancy and maternity, religion or belief, sex and sexual orientation.

Engagement with Staff (including disabled persons)

The Board recognises the importance of employee engagement. 'Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organisation. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job. It is a concept that places flexibility, change and continuous improvement at the heart of what it means to be an employee and an employer in a twenty-first-century workplace' (CIPD 2009).

The Board understands that improving engagement with staff will benefit the Trust and help to achieve our key strategic goals. Action taken during this period to introduce, maintain and develop staff engagement included:

- providing staff with information on matters of concern to them
- consulting staff or their representatives regularly so that the views of staff can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of staff in the company's performance
- achieving a common awareness on the part of all staff of the factors affecting the performance of the company.
- the policy in respect of applications for employment from disabled persons, the treatment of staff who become disabled and the training, career development and promotion of disabled persons.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with Staff (including disabled persons) (continued)

The Board is to consider ways of improving staff engagement and will review the following areas:

| KNOWING OUR WORKFORCE | | UNDERSTANDING OUR WORKFORCE | |
|-------------------------|-------------------------------|-----------------------------|--------------------------|
| DEMOGRAPHICS | WORKFORCE ENGAGEMENT | CULTURE & BEHAVIOURS | INCENTIVE, VALUES & RISK |
| REWARDING OUR WORKFORCE | | FAIRNESS & DIVERSITY | |
| PAY & REWARD | SHARING SUCCESS & PERFORMANCE | GENDER PAY & DIVERSITY | PAY RATIOS |

This is in addition to reviewing Transparency, a focus on behaviours, Empowerment, Staff development and Listening mechanisms.

The Trust regularly consults staff through their representatives on employment matters (e.g. such as staffing policies) and directly through annual staff surveys and other focussed surveys. All staff are encouraged to take part in the surveys. Actions arising from their responses are fed back to staff. The Trust has provided facilities to recognised trade unions.

The Trust will employ disabled people when they appear suitable for a particular vacancy. Every effort is made to ensure that disabled applicants are given full and fair consideration when vacancies arise. During their employment with the Trust, the aim is to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to them that will enable them to reach their full potential.

Staff consultation and working relationships with trade unions with whom we work in partnership are strong. Where there are no local representatives, the Trust engages with regional union representatives. Meetings with Trades Union representatives highlight issues that staff have raised either with us directly or through their trade union representative(s). We consult and agree with Trades Unions all key HR policies. Moving forward we intend to arrange an annual meeting to focus on the performance of the Trust and to give the Trades Union representatives the opportunity to question and challenge our approach to managing the Trust.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS & OTHERS IN A BUSINESS RELATIONSHIP WITH THE TRUST

The Trust values our professional relationships with our local community, businesses and suppliers. We actively promote positive working relationships and where possible support the community we serve.

Where appropriate we look to support our local business community by procuring locally wherever possible, which supports our local economy in general. A large number of our employees are resident locally which provides benefits to our Trust and to the community we serve. A number of Trustees also reside locally.

The Board of Trustees and TLT consider the likely consequences of proposed decisions on the long term interests if the Trust and of the local community. A positive example of this is our plans for Age Range Change, implemented this year and which have enabled the Trust to better serve our growing local community by providing an improved educational experience for students.

The Trust is mindful that the educational achievements and experience of our students directly impacts on the success of our local community. The Trust strives to maintain our reputation for high standards across all of our academies.

Our Trust Board and employees adhere to the 7 Principals of Public Life (Nolan Principles). Representatives of Apollo Partnership Trust must act with integrity at all times and solely in the interests of the Trust whilst undertaking their duties.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Trade Union Facility Time

Relevant Union Officials

2 Local NEU Representatives

Percentage of time spent on facility time

None

Percentage of pay bill spent on facility time

None

Paid Trade Union activities

None

OBJECTIVES AND ACTIVITIES

The principal activity of the Trust is currently to manage academies in the Coalville and the surrounding area of Leicestershire. The key objective is to provide a high standard of education that will improve the life chances of all our students.

The Trust has a rolling programme of self-evaluation and improvement. This is summarised in the Academy Self-Evaluation Form and supporting Self-Evaluation Policy. Action points from the evaluations are developed into the Trust Partnership Improvement Plan (PIP).

Activities provided include:

- Tuition and learning opportunities for all students to attain the highest standard in academic achievement
- Training opportunities for all staff and volunteers, to encourage them to be effective model learners
- A full programme of sporting, arts, extended learning and development opportunities and activities, provided at lunchtime and after school
- Opportunities for the pupils and members of the wider local community to make use of Trust facilities
- Promotion for the benefit of the inhabitants of Coalville, Leicestershire and the surrounding area the learning opportunities and facilities of the Trust

Public benefit

Trustees have taken the Charity Commission specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this annual report.

Trustees have complied with the duty (Section 4 of the Charities Act 2006), to have due regard to public benefit guidance published by the Charity Commission in exercising their powers and duties. In particular Trustees consider how planned activities will contribute to the aims and objective they have set. The Trust has provided a fully comprehensive education to all students in its care. It fully complies with all statutory guidance and seeks to support its wider educational objective via a strong community role.

Related parties and co-operation with other organisations

The Trust is financially independent and does not work in federation with any other organisation. However, the Trust does work collaboratively with other local schools, academies, universities, ITT providers, Teaching Alliances and other businesses to help raise achievement and gain Best Value.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Related parties and co-operation with other organisations (continued)

As part of its operation, the Trust liaises with a range of other organisations (e.g. the Local Authority, Development Group 22 (Coalville Family of Schools), Forest Way Teaching School Alliance, Leicestershire Academies Group, NW Leicestershire School Sports Partnership, NW Leicestershire Learning and Inclusion Partnership), as well as other education providers and trainers such as local schools, further education colleges and universities. The Trust maintains links with numerous agencies that work together to provide support and care for young people, e.g. 'Supporting Leicestershire Families,' the Youth Service, Barnardo's etc. These links are maintained in the interests of supporting good working practices and information sharing and consolidate relationships with well established, mutually supportive organisations.

STRATEGIC REPORT

Achievements and performance

Apollo Partnership Academy Trust has assessed its achievements and performance for this period as follows:

2019-20 was a year in which the Trust emerged as a leading provider of education within the North West Leicestershire area. The Trust improves the life choices of its students through continued good progress and attainment across all phases within the Trust.

All Academies within the Trust at the beginning of the current financial year were deemed 'Good' overall when inspected by OFSTED.

Ofsted Ratings:

| NAME OF ACADEMY | DATE JOINED TRUST | DATE OF INSPECTION | LATEST OFSTED INSPECTION OUTCOME |
|--|--------------------------|---------------------------|---|
| Broom Leys Primary Academy | 1 November 2017 | 17 May 2018 | The school continues to be good. The Leadership Team has maintained the good quality of education in the school. There is effective leadership. The school is fully committed to offering pupils a broad and stimulating curriculum. Pupils achieve above the national average standards in reading, writing and mathematics. |
| Castle Rock High School Academy | 1 August 2012 | 3 October 2017 | The school continues to be good. The Leadership Team has maintained the good quality of education. Leaders & Governors share a clear vision. Leaders know the school well. Pupils' records are meticulously checked. Leaders place a strong emphasis on the well-being of pupils. |
| Newbridge High School Academy | 1 November 2017 | 7 February 2017 | The School continues to be good. The Leadership Team has maintained the good quality of education and are a unified team. Governance is effective. Teaching is consistently good across the school. Use of pupil premium is effective in improving attendance & achievement of disadvantaged pupils. |

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance (continued)

The Trust is at the forefront of collaborative and progressive education practices with many partnerships and collaborative working practices with local and national organisations. Recent work undertaken by Trustees and TLT has centred on the Trust Strategic Growth Plan with a key focus on expansion to build capacity and extend education provision through Age Range Change to Key Stages 4 & 5.

Prior to the School joining the Trust, King Edward VII College (Age Range of 14-18), was subject to an Ofsted inspection. Completed in January 2020, the Ofsted judgement was, in summary:

Ofsted Rating:

| NAME OF ACADEMY | DATE JOINED TRUST | DATE OF INSPECTION | LATEST OFSTED INSPECTION OUTCOME |
|--------------------------------|--------------------------|---------------------------|--|
| King Edward VII College | 1 March 2020 | 08 January 2020 | Quality of education judged as Requires Improvement Behaviour & attitudes judged as Requires Improvement Leadership & management judged as Inadequate Sixth-form provision judged as Requires Improvement |

A key objective of the Trust is now to address the Ofsted findings and deliver school improvement. The Trust Board recognises that the rapid development of the Trust since its' establishment in November 2017, including achievement of the central goal of establishing Age Range Change, means that the current Strategic Plan (an extract from which is set out below) is opportune for review. Accordingly, a review of the Plan is to be undertaken and new Strategic Goals set for the period 2022-2027.

APOLLO PARTNERSHIP TRUST STRATEGIC GROWTH PLAN 2017-2022

STRATEGIC GOALS 2017-2022

- To build a Multi Academy Trust with high performing educational outcomes across North West Leicestershire that provides educational excellence, social mobility and community development, with a capacity for growth.
- Ensure the learning journey for all students and students across the MAT is 'outstanding'.
- Provide a structure to support vulnerable and underperforming schools under the leadership of our primary and secondary leads.
- To develop effective and efficient corporate support systems across the organisation providing value for money and clarity of accountability at all levels.
- To develop a common, challenging curriculum that inspires students to achieve and enhances progression through the key stages.
- To recruit, retain and support high quality educational staff, sharing of good practice between schools and develop an efficient and sustainable corporate training and performance system, which ensures capacity for improvement and succession planning, in accordance with the Strategic Improvement Plan priorities and which effectively tackles underperformance.
- To build an effective partnership that shares resources to improve educational outcomes of young people.
- To ensure that any schools within or joining the MAT are at least good within the period of an agreed action plan.

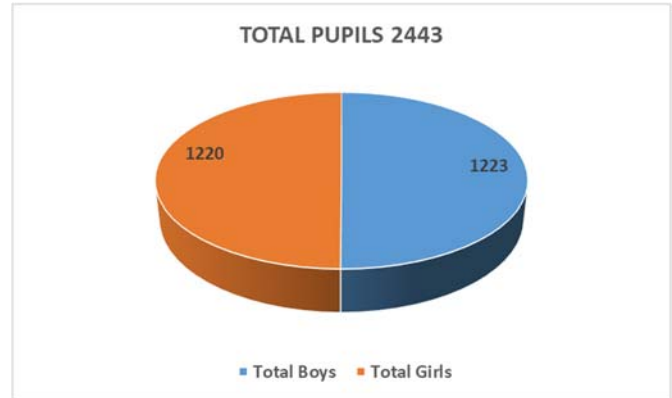
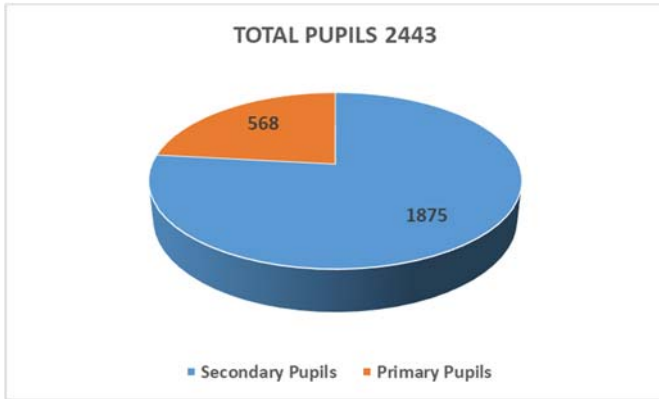
APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

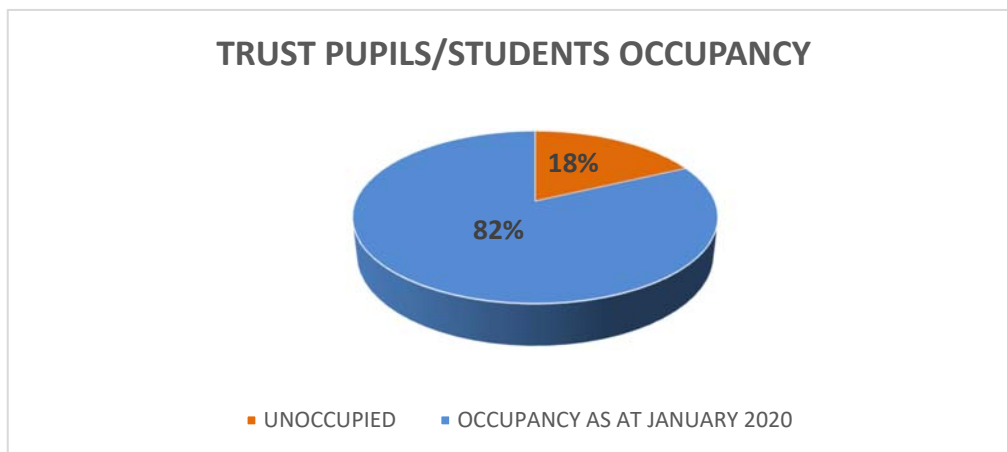
FOR THE YEAR ENDED 31 AUGUST 2020

OUR PUPILS

The academies have a combined pupil capacity of 1785 as at 1 September 2019 which increased to 2,978 with the addition of King Edward VII College on 1 March 2020. The Trust had a roll of 2443 in the census at January 2020. We taught:



| | | |
|------------------------------|-------------|-------------|
| TRUST TOTAL CAPACITY | 100% | 2978 |
| OCCUPANCY AS AT JANUARY 2020 | 82% | 2443 |
| UNOCCUPIED | 18% | 535 |

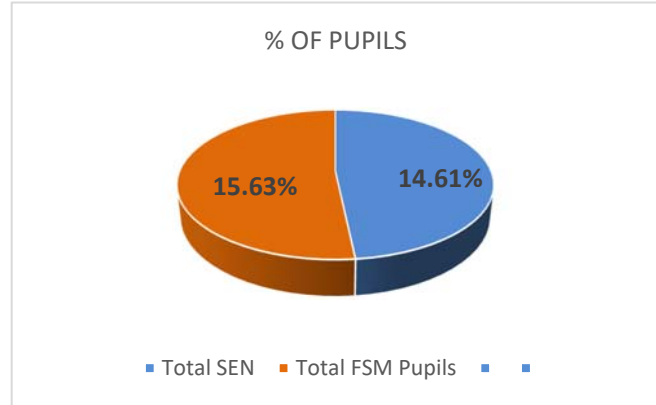
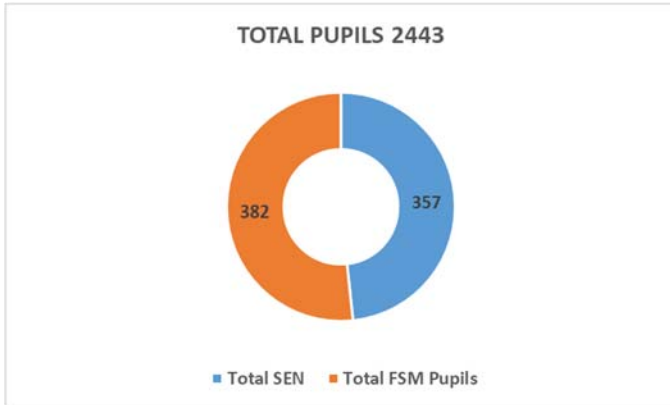


APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

OUR PUPILS (continued)



Realising our plans for Age Range Change across the Trust means that in addition to housing growth our pupils will grow when compared with previous years due to effective retention of existing pupils and our offer of high quality education at all Key Stage levels. Academic year 2020-21 has seen a significant increase in pupil numbers within our Trust and our pupil number projections over the coming years are set to increase year on year. We received a number of Admission Appeals at The Newbridge School and our admission intakes in most academies are at capacity.

Learning environment developments – The Newbridge new YR7 Building

During the period The Newbridge School opened a new building to accommodate our Year 7 students as part of the Age Range Change developments. This successful project was supported by YMD Boons Ltd and Ideal Building Systems Ltd.



APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Learning environment developments – The Newbridge new YR7 Building (continued)

This state of the art new Year 7 building has provided at The Newbridge School with:

- Science Laboratory for Year 7's with a Science prep room
- 5 Classrooms
- Server room
- Student, disabled and staff toilets
- Staff room
- Small group work room
- Offices

Changes have also been made across the Trust to improve the learning environment. The new Strategic Plan will include further improvements for our students. Changes and improvements made over the current year, funded through successful grant bids to DfE ESFA (Condition Improvement Fund) include:

- Repairs to parapet walls
- replacement roofs in two academies
- Refurbishment of student changing rooms and toilets
- New cladding works to external walls

Summary of Performance

All academies within the Trust are performing at or close to the national average. However, the serious disruption to school life caused by school closure and general disruption due to Covid-19, including the abandonment of all summer 2020 examinations, makes accurate assessment of performance during the year, and accurate forecast of performance in 2020 / 2021, very difficult due to the absence of comparative data. TLT are working hard to address this and to establish benchmarks from which to plan individual student and Year Group attainment and improvement. This is a key priority for 2020 / 2021 and years.

Reserves policy and Going Concern

It is the responsibility of the Trustees to ensure that the Trust is able to continue to operate on a going concern basis, and its constituent Academies.

Trustees have established a policy to monitor reserves, by individual Academy, and as a whole, to ensure they are maintained at an appropriate level. Where Trustees feel that additional financial support is required to improve an individual Academy's Reserves this support is provided through TLT in consultation with Trustees.

At all times, Trustees consider the benefit of utilising reserves for medium and long term investment in Trust activities whilst minimising risk to cash flow.

Trustees review the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The purpose of reserves 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 Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £898,000.

The total amount of Unrestricted and Restricted general funds as at 31 August 2020 is £1,597,000 which includes:

- £316,000 in respect of Condition Improvement Grants relating to new roofing, electrical upgrades and the refurbishment of toilet facilities at Newbridge High School.

Trustees acknowledges that some academies within the Trust are holding under the level of revenue reserves in line with the agreed Trust policy. However, the Trust Board is satisfied that overall, the Trust holds adequate Reserves.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy and Going Concern (continued)

In order to ensure that the Trust remains a Going Concern the following actions are undertaken:

- Accurate Budget setting processes across the Trust including regular Revised Budgets where necessary to ensure Trustees are kept informed of any material changes on a termly basis where appropriate. All budget forecasts are prepared over a 5 year period and approved by the CFOD, CEO and LGB's prior to submission to the Board for approval.
- Regular assessment of Pupil Forecast Numbers assessed on an on-going basis using both the Local Authority forecasts and local knowledge. These forecasts form the basis of our 5 year budget projections on a termly basis.
- The Board of Trustees takes action to reduce any liabilities that exceed agreed parameters where appropriate aided by the termly revised budgets, where appropriate and monthly monitoring reports shared with the Chair of the Board, Vice Chair, Chair of the Finance & Resources Committee and CEO on a monthly basis.
- The Board of Trustees carefully monitors the overall Trust Cash Reserves and the impact of any strategic growth or improvement decisions taken to these Reserves.
- The Board of Trustees carefully monitors each academies performance against the Trust's Reserves Policy and where necessary takes steps to ensure rectifying action is taken if an academy falls below the Reserves Policy of at least 1% of the total previous years GAG Budget funding, but not more than 10% unless a specific project is agreed by the Board of Trustees. There is currently only one academy that does not meet this policy which is the Academy that joined the Trust in March 2020 who brought with them a deficit reserve position which the Board is now taking action to rectify.
- Where the Board has agreed Reserves in excess of the Policy of greater than 10% of the previous year's GAG funding, there are specific agreed plans for the appropriate utilisation of these funds, for example plans for a Nursery and a 'sink fund' as required for the replacement of a 3G Astro Turf pitch which was a requirement of funding originally.

Investment policy

Due to the nature of the funding cycle, the Trust may at times hold large cash balances which may not be required for immediate use. Trust policy is to invest any surplus funds in low risk short and medium term bank deposits as and when cash flow permits.

Key performance indicators

The Trust Board adopts a holistic view to measuring performance of the Trust and its academies ensuring that they are not measured on financial performance alone. All academies within the Trust are tracked across a number of KPI's as agreed by the Trust Board which includes:

- Ofsted inspection outcomes
- Achievement data compared to FFT20
- Student progress
- Student attendance
- Quality of Teaching across the Trust
- National and local benchmarking
- ESFA SRMA Audits
- Number on roll verses capacity
- Pupil and staff Turnover
- Financial Stability and Sustainability
- Capacity for continuous improvement & Growth

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

STREAMLINED ENERGY & CARBON REPORTING

The following report summarises the energy and carbon use for Apollo Partnership Trust for the academic year 2019/20. The Apollo Partnership Trust is comprised of four academies, employs 262.40 staff members (full-time equivalent) and has 2443 pupils registered. The report also includes information about energy efficiency measures taken.

UK Greenhouse gas emissions and energy use for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh) 4,022,102

Energy consumption break down:

| | |
|--|------------------------|
| • Gas (kWh) | 2,810,136 |
| • Electricity (kWh) | 846,022 |
| • Transport fuel (kWh) | 0 |
| • Business use / rental vehicles (kWh) | 47,272 |
| • Biomass fuel (kWh) | 318,672 |
| • Water | Not converted into kWh |

Scope 1 emissions in metric tonnes CO₂e

Gas consumption 516.70

Biomass fuel 4.80

Owned transport – mini-buses 0.00

Total Scope 1 521.50

Scope 2 emissions in metric tonnes CO₂e

Purchased electricity 197.24

Total Scope 2 197.24

Scope 3 emissions in metric tonnes CO₂e

Business travel in employee owned vehicles 12.03

Water consumption 10.61

Total Scope 3 22.64

Total gross emissions in metric tonnes CO₂e 741.38

Intensity ratio tonnes CO₂e per pupil 0.30

Energy Efficiency Action

In the period covered by the report the Apollo Partnership Trust have not carried out any energy efficiency measures.

Renewable Energy

In the period covered by the report Apollo Partnership Trust has generated 0.00 kWh of renewable energy.

Methodology

This report was compiled by Leicester City Council as part of Built Environment School Service (BESS) Energy for Academies.

This data is compiled by the BESS Energy team following the 2019 HM Government Environmental Reporting Guidelines. Associated greenhouse gas emissions are calculated using the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting provided by the Department for Business, Energy and Industrial Strategy (BEIS), available at: www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

Intensity measurement

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

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for the Future Periods

Future plans across the Trust include the following:

- Completing necessary action to the overall financial health of the Trust following the taking on of a failing secondary academy with an overall deficit budget and large deficit forecasts.
- Continuing to raise the quality of educational offering and outcomes to our community by implementing identified improvements at the Trust's largest secondary school recently merged in September 2020 following King Edward VII College joining the Trust in March 2020.
- Integrating Curriculum model improvements across the secondary academies in line with the Trust Improvement Plans and undertaking a further Integrated Curriculum & Financial Planning (ICFP) review once improvements finalised and implemented.
- Re-evaluation and improvement of the Trust Business Continuity Plans and procedures as a result of managing the current Covid-19 pandemic, including lessons learnt and appropriate improvements required.
- Increase in the Pupil Admission Numbers for The Newbridge School in order to meet the increase in demand due to housing growth in the catchment area as per the Trust's Strategic Growth Plan.
- Plans to increase the primary educational offering within the Trust by introducing a Nursery at our existing primary and applying for the planned two new primary schools required within our catchment due to housing growth, at the appropriate time.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

During this financial period the Trust is the custodian for the following:

Leicestershire Secondary Subject Leaders

This organisation provides educational training and support for subject leaders. At the year end the Trust held £6,441 on behalf of this organisation.

Leicestershire Academies Group

This organisation was set up in 2015 in response to the changing profile of schools in Leicestershire and aims to provide support to academies within the Leicestershire area. At the year end, the Trust held £4,799 on behalf of this organisation.

Coalville Family of Schools

This organisation was set up over 25 years ago by schools in the Coalville area to support educational collaborative work between schools in Coalville. These funds were previously held by King Edward II College, Coalville, until November 2015. In this group are 12 Coalville primary schools, 1 Special School and 3 Coalville Secondary academies. At year end the Trust held £21,484 on behalf of this organisation.

SACRE

The Leicestershire Standing Advisory Council for Religious Education was set up to provide local responsibility for the provision of religious education as this is not a national curriculum subject. At the year end the Trust held £3,643 on behalf of this organisation.

North West Leicestershire School Sports Partnership

This organisation organises funds for developing school sports within the North West Leicestershire area. At the year end, the Trust held £6,718 on behalf of this organisation.

All of the above funds are held by the Academy and fall within the Academy's own charitable objectives.

External Auditor

The current initial three year contract with RSM UK Audit LLP is due for review. This will be undertaken by the Audit and Risk Committee. RSM have indicated their willingness to continue as External Auditors to the Trust.

APOLLO PARTNERSHIP ACADEMY TRUST

TRUSTEES' REPORT

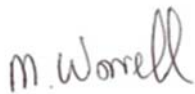
AS AT 31 AUGUST 2020

Statement as to disclosure of information to auditor

In so far as trustees are aware:

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

This trustees' report is approved by order of the governing body and the strategic report (included therein) is approved by the governing body in their capacity as the directors at a meeting on 25 January 2021 and signed on its behalf by:



Michala Worrell

Chair of the Trust Board

APOLLO PARTNERSHIP ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The Trust Board 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 Apollo Partnership Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The Trust Board has formally met 15 times during the year. Attendance during the year at meetings of the governing body was as follows:

| Trustees | Meetings attended | Out of possible |
|------------------------------|-------------------|-----------------|
| M Worrell (Chairperson) | 13 | 15 |
| J Knifton (Vice chairperson) | 15 | 15 |
| R Cairns | 14 | 15 |
| R Dennis | 15 | 15 |
| J Patrick | 15 | 15 |
| A Presland | 14 | 15 |
| A Pritchard | 15 | 15 |
| B Smith | 4 | 6 |
| G Stacey | 10 | 15 |
| P Weston | 12 | 15 |

Paul Weston resigned from the Board of Trustees in 31 August 2020. Bev Smith joined the Trust Board in March 2020. There were no other significant changes to the Board of Trustees.

The Finance and Resources Committee is a Committee of the main Board of Trustees. It has delegated responsibility for Finance and Resources currently. The committee met twice during the period and discussed aspects of financial management, budget control, Human Resources, Health & Safety, major Capital projects and Site management and Strategic Risks relating to these areas.

Attendance at meetings in the period of this report was:

| Trustees | Meetings attended | Out of possible |
|--------------------------------------|-------------------|-----------------|
| M Worrell (Chairperson) | 2 | 2 |
| A Pritchard (Chair of F&R Committee) | 2 | 2 |
| J Knifton | 1 | 2 |
| G Stacey | 2 | 2 |

Review of value for money

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

The Accounting Officer has ensured the economic, efficient and effective use of all the resources in her charge to allow those resources to be focussed on achieving outstanding educational outcomes for our students.

APOLLO PARTNERSHIP ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Review of value for money (continued)

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer has delivered improved value for money during the year by:

- Standardised financial planning, forecasting, monitoring and reporting of the Trust's academies by introducing a new Centralised Financial Management System, taking advantage of economies of scale, improving current practice and ensuring value for money.
- A Internal Audit undertaken by external consultants covering aspects of MAT level Governance, Risk Management, budgetary planning & control, Budgetary reporting, Financial Efficiency & procurement, Bank & Cash, Supplier payments, ordering, responsible committees and Compliance.
- Collaborative approaches to sharing best practice across all phases, Trust wide training and development opportunities based on identified key areas in Trust improvement plans.
- Trustee and Governor Skills Audit and analyses, identifying any skills gaps and informing future recruitment of Trustees.
- The avoidance of waste and extravagance, the prudent and economical administration of the organisation, the maintenance of a system of financial governance, including sound internal spending controls, keeping up to date financial records, continuous financial monitoring and timely reporting, ensuring all financial transactions represent value for money.

The financial performance of the Trust has been sound over the year, against a backdrop of tightening funding and operating costs. The Trusts reserves remain healthy. The Board is committed to ensuring that students of the Trust are advantaged by being part of the Trust and therefore ensure that Trust funds are deployed into appropriate projects to benefit them, whilst being mindful of the need to maintain a healthy reserves position to ensure financial stability.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Apollo Partnership Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that, whilst there is a formal on-going process for identifying, evaluating and managing strategic risk, this would benefit from review. Accordingly, a Trustee Working Party has been appointed to review the Trust Strategic Risk Register. A revised Register is expected to be in place during 2020 /21. Subject to this, Trustees are satisfied that the risk framework in place for the period ending 31 August 2020 and up to the date of approval of the annual report and financial statements is satisfactory. The Strategic Risk Register is now reviewed termly by each Committee (as Risk Owners). A fundamental Review of the Register is planned annually.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
 - regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
 - setting targets to measure financial and other performance;
 - clearly defined purchasing (asset purchase or capital investment) guidelines;
 - delegation of authority and segregation of duties; and
 - identification and management of risks.
-

APOLLO PARTNERSHIP ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

The risk and control framework (continued)

At the establishment of the Trust it was agreed that a specific internal audit function was required. Accordingly, the Leicestershire County Council Traded services (Internal Audit Service), was appointed on a three year contract. This is currently under review in accordance with Best Practice.

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

- Governance Policies & Procedures
- Governance roles & responsibilities
- Risk Management
- Financial scrutiny
- Budgetary planning & Control
- Budgetary monitoring & reporting
- Financial Efficiency
- Bank & Cash
- Compliance

The Internal Audit reports to the Board of Trustees through the Audit & Pay and Finance & Resources Committees on the operation of the systems of control and on the discharge of the financial responsibilities of the governing body.

The Internal Auditor deemed all individual academies as 'secure' and has delivered their schedule of work as planned to include recommendations for improvements in systems and practice which has been actioned as per the Trustees agreement, including and Stress Testing of the Risk Management Register.

In addition, the Trust underwent an ESFA School Management and Resource Assessment (SMRA) in February 2020. The Board has considered the findings and recommendations of this report, already implementing key recommendations such as Contact Ratio's, scheme of delegation, budgeting software and centralised funding.

Principal Risks & Uncertainties

The risks faced by the Academy Trust are outlined in the Strategic Risk Register and whilst there is an annual assessment undertaken, the Trustees and governors are continually monitoring any risks associated with Academies.

Trustees have set procedures (contained within the Financial Procedures Manual and the Risk Register – Strategic and Reputational Risks) on internal controls which cover the following:

- Type of risks the Academy Trust faces
 - Level of risks which they regard as acceptable
 - Likelihood of the risks materialising
 - Trust's ability to reduce the incidence and impact on the operations of risks that do materialise
 - Costs of operating particular controls relative to the benefits obtained
 - Ensuring the Strategic Management Team implement the Trustees' policies and identify and evaluate risks for the Trustees' consideration
 - Understand that they have responsibility for internal control as part of their accountability for achieving objectives
 - Embedding the control system in the Academy Trust's operations so that it becomes part of the culture of the Trust
 - Developing systems to respond quickly to evolving risks arising from factors within the Academy Trust and to changes in the external environment
 - Procedures for reporting failing immediately to appropriate levels of management and the Trustees together with details of corrective action undertaken
-

APOLLO PARTNERSHIP ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Principal Risks & Uncertainties (continued)

Trustees have assessed the major risks to which the Academy trust is exposed, in particular, those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances and systems are in place to mitigate those risks. Trustees have assessed risks that the Trust faces, especially in the operational areas and in relation to the control of finance and updated the Risk Register. The Academy Trust has an effective system of internal financial controls.

The following were the prime concerns during 2019/20:

| RISK CATEGORY | SPECIFIC RISK | TRUST ACTION |
|-----------------------|--|---|
| Strategic growth risk | <p>The risk that the Academy Trust will be unable to achieve its strategic goals due to organisational growth this academic year.</p> <p>Over expansion leads to reduce quality and/or loss of control. The risk that the Trust grows too quickly without having robust systems for school improvement in place.</p> | <p>Growth is carefully controlled in coordination with the trustee and the DfE. Growth is within the control of the Trust. Budgets and cash flow forecast are carefully monitored monthly and reported to the Finance & Resources Committee of Trustees.</p> <p>Detailed due diligence carried out on potential new schools/academy's wishing to join the Trust.</p> <p>Development and implementation of clear, robust processes and systems for all Academies within the Trust and supporting any schools/Academy's joining with adoption of the Trust's standards.</p> <p>Regular review of current policies and procedures against practice and implementing improvements where appropriate.</p> |
| Financial risk | <p>Overall financial management and growth demands place the Trust at risk of poor financial performance.</p> <p>The risk that the Government implement change in funding policies or withdrawal of funding strategies and potential introduction of new educational priorities</p> | <p>Robust monitoring of the Trust budget forecasts over a 5 year period ensuring the most up to date information is used.</p> <p>Regular revised budgets where necessary to ensure the most accurate forecasts are maintained, closely monitored by Trustees.</p> <p>Academies are challenged by the Board if budgetary forecasts are not robust and achievable.</p> <p>Analysis of forecast / actual costs managed closely by the MAT Leadership Team to ensure all academies are operating within acceptable limits.</p> <p>Cash flow analysis is regularly monitored and reported with timely action taken where necessary.</p> <p>Restructuring action taken where necessary to ensure financial performance is maintained.</p> |

APOLLO PARTNERSHIP ACADEMY TRUST

GOVERNANCE STATEMENT

AS AT 31 AUGUST 2020

| RISK CATEGORY | SPECIFIC RISK | TRUST ACTION |
|------------------|--|---|
| Operational risk | The risk of the global Covid-19 pandemic disrupts the learning opportunities of our young people and causes significant additional demands on resources of the Trust | Tailored specific Covid-19 Risk Assessments in each Academy in accordance with government guidelines which are 'live' and updated when required. Additional measures to reduce the risks of Covid-19 are taken where identified according to the changing climate e.g. Protection of pupils and staff, additional deep cleaning, adherence to government guidance etc. |


REVIEW OF EFFECTIVENESS

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

- the work of the external auditor, RSM UK Audit LLP;
- the work of the Internal Audits carried out by an external internal auditor;
- the work of the Chief Finance & Operations Director and academy managers within the Trust who have responsibility for the development and maintenance of the internal control framework;
- the financial management and governance self-assessment process;
- the reports and oversight of the Trustees Finance & Resources Committee;
- the academy's financial policies and procedures.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Resources committee and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

Approved by order of the Board of Trustees on 25 January 2021 and signed on its behalf by:



M Worrell – Chair of the Board of Trustees

J Patrick – Chief Executive Officer

APOLLO PARTNERSHIP ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

AS AT 31 AUGUST 2020

As accounting officer of Apollo Partnership Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



J Patrick
Accounting Officer

25 January 2021

APOLLO PARTNERSHIP ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 25 January 2021 and signed on its behalf by:



M Worrell
Chair of the Board of Trustees



J Patrick
Accounting Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APOLLO PARTNERSHIP TRUST

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report and the incorporated Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APOLLO PARTNERSHIP TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and the incorporated Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 25, the trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements 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.

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Rivermead House

7 Lewis Court

Grove Park

Leicester

Leicestershire, LE19 1SD

.....29/01/2021.....

APOLLO PARTNERSHIP TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | Unrestricted Funds £'000 | Restricted General Funds £'000 | Restricted Fixed Asset Funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|---|------------|--------------------------------|---|---|------------------------|------------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 50 | 106 | 296 | 452 | 440 |
| Donations - transfer into trust | 24 | - | (2,864) | 5,340 | 2,476 | - |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | 170 | 11,514 | - | 11,684 | 8,433 |
| Other trading activities | 5 | 74 | - | - | 74 | 100 |
| Investments | | 6 | - | - | 6 | 4 |
| Total | | <u>300</u> | <u>8,756</u> | <u>5,636</u> | <u>14,692</u> | <u>8,977</u> |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| - Educational operations | 6,7 | 215 | 11,574 | 478 | 12,267 | 9,169 |
| Total | 6,7 | <u>215</u> | <u>11,574</u> | <u>478</u> | <u>12,267</u> | <u>9,169</u> |
| Net (expenditure)/income | | 85 | (2,818) | 5,158 | 2,425 | (192) |
| Transfers between funds | 16 | - | (198) | 198 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial losses on defined benefit pension schemes | 21 | - | (34) | - | (34) | (1,877) |
| Net movement in funds | | 85 | (3,050) | 5,356 | 2,391 | (2,069) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 813 | (4,937) | 17,232 | 13,108 | 15,177 |
| Total funds carried forward | | <u>898</u> | <u>(7,987)</u> | <u>22,588</u> | <u>15,499</u> | <u>13,108</u> |

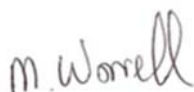
APOLLO PARTNERSHIP ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

| | | 2020 | | 2019 | |
|--|-------|--------------|----------------|--------------|----------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 22,272 | | 17,076 |
| Current assets | | | | | |
| Stocks | | 1 | | 1 | |
| Debtors | 13 | 568 | | 371 | |
| Cash at bank and in hand | | 1,862 | | 1,326 | |
| | | <u>2,431</u> | | <u>1,698</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | <u>(518)</u> | | <u>(467)</u> | |
| Net current assets | | | <u>1,913</u> | | <u>1,231</u> |
| Net assets excluding pension liability | | | <u>24,185</u> | | <u>18,307</u> |
| Defined benefit pension scheme liability | 21 | | <u>(8,686)</u> | | <u>(5,199)</u> |
| Total net assets | | | <u>15,499</u> | | <u>13,108</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | 16 | | | | |
| - Restricted fixed asset funds | | | 22,588 | | 17,232 |
| - Restricted income funds | | | 699 | | 262 |
| - Pension reserve | | | <u>(8,686)</u> | | <u>(5,199)</u> |
| Total restricted funds | | | <u>14,601</u> | | <u>12,295</u> |
| Unrestricted income funds | 16 | | <u>898</u> | | <u>813</u> |
| Total funds | | | <u>15,499</u> | | <u>13,108</u> |

The financial statements on pages 28 to 52 were approved by the board of trustees and authorised for issue on 25 January 2021 and are signed on their behalf by:



.....
M Worrell
Chairman



.....
J Patrick
Chief Executive Officer

APOLLO PARTNERSHIP TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

| | | 2020 | | 2019 | |
|--|-------|---------|---------------------|---------|---------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Cash flows from operating activities | | | | | |
| Net cash provided by operating activities | 19 | | 415 | | 530 |
| Cash funds transferred from an existing academy joining the trust | | | 153 | | - |
| | | | <u>568</u> | | <u>530</u> |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 6 | | 4 | |
| Capital grants from DfE Group | | 296 | | 245 | |
| Purchase of tangible fixed assets | | (334) | | (462) | |
| | | <u></u> | | <u></u> | |
| Net cash used in investing activities | | | <u>(32)</u> | | <u>(213)</u> |
| Net increase in cash and cash equivalents in the reporting period | | | 536 | | 317 |
| Cash and cash equivalents at beginning of the year | | | 1,326 | | 1,009 |
| | | | <u>1,862</u> | | <u>1,326</u> |
| Cash and cash equivalents at end of the year | | | <u><u>1,862</u></u> | | <u><u>1,326</u></u> |

APOLLO PARTNERSHIP TRUST

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

1 Accounting policies

General information

Apollo Partnership Trust 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 Trustees' 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.

Basis of preparation

The financial statements of the academy trust 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The academy trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the academy trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

The Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future based on the following factors:

- Accurate Budget setting processes across the Trust including regular Revised Budgets where necessary to ensure Trustees are kept informed of any material changes on a termly basis where appropriate. All budget forecasts are prepared over a 5 year period and approved by the Board.
- Regular assessment of Pupil Forecast Numbers assessed on an on-going basis using both the Local Authority forecasts and local knowledge. These forecasts form the basis of our 5 year budget projections on a termly basis.
- The Board of Trustees carefully monitors the overall Trust Cash Reserves and the impact of any strategic growth or improvement decisions taken to these Reserves.
- The Board of Trustees carefully monitors each academies performance against the Trust's Reserves Policy and where necessary takes steps to ensure rectifying action is taken if an academy falls below the Reserves Policy of at least 1% of the total previous years GAG Budget funding.

Transfer into the academy trust

The transfer of an existing school into the 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 from King Edward VII Science and Sport College 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 existing school 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 24.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

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

Donations

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

Other income

Other income, including the hire of facilities, is recognised at fair value of the consideration received or receivable in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor 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 academy trust's accounting policies.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

These are costs incurred on the academy trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------------|---------------------------|
| Long leasehold land and buildings | 0.8% - 2.5% straight line |
| Computer equipment | 33% straight line |
| Fixtures, fittings and equipment | 20% straight line |
| Sports pitches | 2.5% - 10% 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.

Liabilities

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

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Leased assets

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

Financial instruments

The academy trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the academy trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 as other comprehensive income. Actuarial gains and losses are recognised immediately as other comprehensive income.

Fund accounting

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

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

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

Employee Benefits

Short-term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render services to the academy trust. The cost of any unused holiday entitlement the Academy Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

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 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 annual depreciation charge for tangible fixed 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 reassessed annually. See note 12 for the carrying amount of the tangible fixed assets and accounting policies for the useful economic lives for each class of assets.

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

3 Donations and capital grants

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|-----------------|---|---------------------------------------|---------------------------------|---------------------------------|
| Capital grants | - | 296 | 296 | 245 |
| Other donations | 50 | 106 | 156 | 195 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 50 | 402 | 452 | 440 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

The income from donations and capital grants was £452,000 (2019: £440,000) of which £50,000 was unrestricted (2019: £51,000), £106,000 was restricted (2019: £144,000) and £296,000 was restricted fixed assets (2019: £245,000).

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|--------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| DfE / ESFA grants | | | | |
| General annual grant (GAG) | - | 9,311 | 9,311 | 7,053 |
| Other DfE group grants | - | 1,510 | 1,510 | 838 |
| | - | 10,821 | 10,821 | 7,891 |
| Other government grants | | | | |
| Local authority grants | - | 457 | 457 | 180 |
| Parental contributions | - | 236 | 236 | 125 |
| Other incoming resources | 170 | - | 170 | 237 |
| | 170 | 236 | 406 | 362 |
| | 170 | 11,514 | 11,684 | 8,433 |

The income from funding for educational operations was £11,684,000 (2019: £8,433,000) of which £170,000 was unrestricted (2019: £237,000) and £11,514,000 was restricted (2019: £8,196,000).

5 Other trading activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|--------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Hire of facilities | 71 | - | 71 | 97 |
| Other income | 3 | - | 3 | 3 |
| | 74 | - | 74 | 100 |

The income from other trading activities was £74,000 (2019: £100,000) of which £74,000 was unrestricted (2019: £100,000).

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure

| | Staff costs £'000 | Non Pay Expenditure Premises £'000 | Other £'000 | Total 2020 £'000 | Total 2019 £'000 |
|----------------------------------|----------------------|--|----------------|------------------------|------------------------|
| Academy's educational operations | | | | | |
| - Direct costs | 6,907 | - | 997 | 7,904 | 5,782 |
| - Allocated support costs | 2,398 | 1,058 | 907 | 4,363 | 3,387 |
| | <u>9,305</u> | <u>1,058</u> | <u>1,904</u> | <u>12,267</u> | <u>9,169</u> |

Net income/(expenditure) for the year includes:

| | 2020 £'000 | 2019 £'000 |
|---|---------------|---------------|
| Operating lease rentals | 64 | 43 |
| Depreciation of tangible fixed assets | 478 | 403 |
| Net interest on defined benefit pension liability | 131 | 83 |
| Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows: | | |
| - Audit | 25 | 20 |
| - Other services | 9 | 8 |
| | <u>667</u> | <u>557</u> |

7 Charitable activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2020 £'000 | Total 2019 £'000 |
|------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Direct costs | | | | |
| Educational operations | - | 7,904 | 7,904 | 5,782 |
| Support costs | | | | |
| Educational operations | 215 | 4,148 | 4,363 | 3,387 |
| | <u>215</u> | <u>12,052</u> | <u>12,267</u> | <u>9,169</u> |

The expenditure on charitable activities was £12,267,000 (2019: £9,169,000) of which £215,000 was unrestricted (2019: £220,000), £11,574,000 was restricted (2019: £8,546,000) and £478,000 was restricted fixed assets (2019: £403,000).

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Charitable activities (Continued)

| | 2020 £'000 | 2019 £'000 |
|----------------------------------|---------------|---------------|
| Analysis of support costs | | |
| Support staff costs | 2,399 | 1,758 |
| Depreciation | 478 | 403 |
| Premises costs | 580 | 501 |
| Legal costs | 208 | 187 |
| Other support costs | 650 | 487 |
| Governance costs | 48 | 51 |
| | <u>4,363</u> | <u>3,387</u> |

8 Staff

Staff costs

Staff costs during the year were:

| | 2020 £'000 | 2019 £'000 |
|---|---------------|---------------|
| Wages and salaries | 6,489 | 5,023 |
| Social security costs | 530 | 465 |
| Pension costs | 2,015 | 1,371 |
| | <u>9,034</u> | <u>6,859</u> |
| Staff costs - employees | 9,034 | 6,859 |
| Agency staff costs | 239 | 133 |
| Staff restructuring costs | 32 | 8 |
| | <u>9,305</u> | <u>7,000</u> |
| Staff development and other staff costs | 89 | 29 |
| | <u>9,394</u> | <u>7,029</u> |

Staff restructuring costs comprise:

| | | |
|---------------------|----|---|
| Redundancy payments | 32 | 8 |
|---------------------|----|---|

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory severance payments totalling £8,000. Individually, the payments were: £8,000.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Staff (Continued)

Staff numbers

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

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | Number | Number |
| Teachers | 118 | 67 |
| Administration and support | 192 | 158 |
| Management | 24 | 25 |
| | <u>334</u> | <u>250</u> |

Higher paid staff

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

| | 2020 | 2019 |
|---------------------|---------------|---------------|
| | Number | Number |
| £60,001 - £70,000 | 3 | 1 |
| £70,001 - £80,000 | 2 | 3 |
| £80,001 - £90,000 | 1 | - |
| £90,001 - £100,000 | - | 1 |
| £100,001 - £110,000 | 1 | - |
| | <u>7</u> | <u>5</u> |

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £622,138 (2019: £493,415).

9 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;

The academy trust charges for these services as 5% of the age weighted pupil unit.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Central services (Continued)

| | | |
|--|--------------|--------------|
| The amounts charged during the year were as follows: | 2020 | 2019 |
| | £'000 | £'000 |
| Castle Rock High School | 125 | 111 |
| Newbridge High School | 98 | 98 |
| Broom Leys Primary School | 76 | 74 |
| King Edward VII Science and Sport College | 83 | - |
| | <hr/> | <hr/> |
| | 382 | 283 |
| | <hr/> <hr/> | <hr/> <hr/> |

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

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

| | | | |
|------------------------------------|-----------------------|--------------|--------------|
| | | 2020 | 2019 |
| | | £'000 | £'000 |
| J Patrick, Chief Executive Officer | Remuneration | 100 - 105 | 95 - 100 |
| | Pension contributions | 20 - 25 | 15 - 20 |

During the year ended 31 August 2020 one (2019: one) trustee claimed expenses or had expenses met by the Academy Trust. The expenses incurred were in respect of telephone costs and an amount of £200 (2019: £200) was reimbursed or paid by the Academy Trust.

11 Trustees and officers' insurance

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

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets

| | Long leasehold land and buildings £'000 | Computer equipment £'000 | Fixtures, fittings and equipment £'000 | Sports pitches £'000 | Total £'000 |
|-----------------------|--|-----------------------------|---|-------------------------|----------------|
| Cost | | | | | |
| At 1 September 2019 | 18,054 | 184 | 254 | 432 | 18,924 |
| Transfer into trust | 5,180 | 15 | 145 | - | 5,340 |
| Additions | 242 | 36 | 56 | - | 334 |
| At 31 August 2020 | 23,476 | 235 | 455 | 432 | 24,598 |
| Depreciation | | | | | |
| At 1 September 2019 | 1,570 | 109 | 144 | 25 | 1,848 |
| Charge for the year | 375 | 36 | 56 | 11 | 478 |
| At 31 August 2020 | 1,945 | 145 | 200 | 36 | 2,326 |
| Net book value | | | | | |
| At 31 August 2020 | 21,531 | 90 | 255 | 396 | 22,272 |
| At 31 August 2019 | 16,484 | 75 | 110 | 407 | 17,076 |

The long leasehold properties are leased from the local council's of the individual academies, relating to the land and buildings of the trust and are leased for periods of up to 125 years for peppercorn rent. No such charges have been made in the current year (2019: £nil).

13 Debtors

| | 2020 £'000 | 2019 £'000 |
|--------------------------------|---------------|---------------|
| Trade debtors | 8 | 15 |
| VAT recoverable | 209 | 126 |
| Prepayments and accrued income | 351 | 230 |
| | 568 | 371 |

14 Creditors: amounts falling due within one year

| | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|
| Trade creditors | - | 46 |
| Other taxation and social security | 187 | 110 |
| Other creditors | 202 | 113 |
| Accruals and deferred income (see note 15) | 129 | 198 |
| | 518 | 467 |

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

| 15 Deferred income | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|
| Deferred income is included within: | | |
| Creditors due within one year | 77 | 67 |
| | <u>77</u> | <u>67</u> |
| Deferred income at 1 September 2019 | 67 | 52 |
| Transfer in | 84 | - |
| Released from previous years | (151) | (52) |
| Resources deferred in the year | 77 | 67 |
| | <u>77</u> | <u>67</u> |
| Deferred income at 31 August 2020 | 77 | 67 |

At the reporting date the Academy Trust was holding funds received in advance for school dinner money rates and school trips for the next academic year.

| 16 Funds | Balance at 1 September 2019 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2020 £'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 204 | 9,311 | (8,660) | (198) | 657 |
| Other DfE / ESFA grants | - | 1,510 | (1,510) | - | - |
| Other government grants | - | 457 | (457) | - | - |
| Funds held in trust | 33 | 87 | (78) | - | 42 |
| Other restricted funds | 25 | 167 | (192) | - | - |
| Pension reserve | (5,199) | (2,776) | (677) | (34) | (8,686) |
| | <u>(4,937)</u> | <u>8,756</u> | <u>(11,574)</u> | <u>(232)</u> | <u>(7,987)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer in from other schools | 7,225 | 5,340 | (244) | - | 12,321 |
| DfE group capital grants | 10,007 | 296 | (234) | 198 | 10,267 |
| | <u>17,232</u> | <u>5,636</u> | <u>(478)</u> | <u>198</u> | <u>22,588</u> |
| Total restricted funds | 12,295 | 14,392 | (12,052) | (34) | 14,601 |
| Unrestricted funds | | | | | |
| General funds | 813 | 300 | (215) | - | 898 |
| | <u>813</u> | <u>300</u> | <u>(215)</u> | <u>-</u> | <u>898</u> |
| Total funds | 13,108 | 14,692 | (12,267) | (34) | 15,499 |

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Funds (Continued)

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

Restricted general funds

This fund represents grants received for the academy' operational activities and development.

Under the funding agreement with the secretary of state, the academy trust was not subject to a GAG carry forward limit.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately. Plans are in place to address the deficit.

Restricted fixed asset fund

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to the academy trust from the Local Authority. It includes further amounts invested in fixed assets, from grants. Depreciation of tangible assets is allocated to this fund.

Funds prior year

| | Balance at 1 September 2018 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2019 £'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 193 | 7,053 | (6,816) | (226) | 204 |
| Other DfE / ESFA grants | - | 838 | (838) | - | - |
| Other government grants | - | 180 | (180) | - | - |
| Funds held in trust | 28 | 28 | (23) | - | 33 |
| Other restricted funds | - | 241 | (216) | - | 25 |
| Pension reserve | (2,849) | - | (473) | (1,877) | (5,199) |
| | <u>(2,628)</u> | <u>8,340</u> | <u>(8,546)</u> | <u>(2,103)</u> | <u>(4,937)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer in from other schools | 7,428 | - | (203) | - | 7,225 |
| DfE group capital grants | 9,736 | 245 | (200) | 226 | 10,007 |
| | <u>17,164</u> | <u>245</u> | <u>(403)</u> | <u>226</u> | <u>17,232</u> |
| Total restricted funds | <u>14,536</u> | <u>8,585</u> | <u>(8,949)</u> | <u>(1,877)</u> | <u>12,295</u> |
| Unrestricted funds | | | | | |
| General funds | 641 | 392 | (220) | - | 813 |
| Total funds | <u>15,177</u> | <u>8,977</u> | <u>(9,169)</u> | <u>(1,877)</u> | <u>13,108</u> |

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Funds (Continued)

Total funds analysis by academy

| | 2020 | 2019 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Fund balances at 31 August 2020 were allocated as follows: | | |
| Castle Rock High School | 608 | 126 |
| Newbridge High School | 537 | 476 |
| Broom Leys Primary School | 640 | 460 |
| King Edward VII Science and Sport College | (334) | - |
| Central services | 146 | 20 |
| | <hr/> | <hr/> |
| Total before fixed assets fund and pension reserve | 1,597 | 1,082 |
| Restricted fixed asset fund | 22,588 | 17,232 |
| Pension reserve | (8,686) | (5,199) |
| | <hr/> | <hr/> |
| Total funds | 15,499 | 13,115 |
| | <hr/> <hr/> | <hr/> <hr/> |

Total cost analysis by academy

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

| | Teaching and educational support staff | Other support staff costs | Educational supplies | Other costs excluding depreciation | Total 2020 | Total 2019 |
|--|---|--------------------------------------|---------------------------------|---|-----------------------|-----------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Castle Rock High School | 1,940 | 684 | 46 | 546 | 3,216 | 3,078 |
| Newbridge High School | 1,565 | 629 | 120 | 499 | 2,813 | 2,685 |
| Broom Leys Primary School | 1,706 | 404 | 35 | 372 | 2,517 | 2,412 |
| King Edward VII Science and Sport College | 1,128 | 550 | 280 | 512 | 2,470 | - |
| Central services | 89 | 164 | - | 226 | 479 | 398 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 6,428 | 2,431 | 481 | 2,155 | 11,495 | 8,573 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Analysis of net assets between funds

| | Unrestricted Funds £'000 | Restricted General Funds £'000 | Restricted Fixed Asset Funds £'000 | Total Funds £'000 |
|--|--------------------------------|---|---|-------------------------|
| Fund balances at 31 August 2020 are represented by: | | | | |
| Tangible fixed assets | - | - | 22,272 | 22,272 |
| Current assets | 898 | 1,217 | 316 | 2,431 |
| Creditors falling due within one year | - | (518) | - | (518) |
| Defined benefit pension liability | - | (8,686) | - | (8,686) |
| Total net assets | <u>898</u> | <u>(7,987)</u> | <u>22,588</u> | <u>15,499</u> |

| | Unrestricted Funds £'000 | Restricted funds: General £'000 | Fixed asset £'000 | Total Funds £'000 |
|--|--------------------------------|---------------------------------------|----------------------|-------------------------|
| Fund balances at 31 August 2019 are represented by: | | | | |
| Tangible fixed assets | - | - | 17,076 | 17,076 |
| Current assets | 813 | 729 | 156 | 1,698 |
| Creditors falling due within one year | - | (467) | - | (467) |
| Defined benefit pension liability | - | (5,199) | - | (5,199) |
| Total net assets | <u>813</u> | <u>(4,937)</u> | <u>17,232</u> | <u>13,108</u> |

18 Commitments under operating leases

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

| | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|
| Amounts due within one year | 88 | 41 |
| Amounts due between one and five years | 83 | 59 |
| | <u>171</u> | <u>100</u> |

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

| 19 | Reconciliation of net income/(expenditure) to net cash flow from operating activities | 2020 | 2019 | |
|----|--|--------------------|-------------------|------------------|
| | | £'000 | £'000 | |
| | Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities) | 2,425 | (192) | |
| | Adjusted for: | | | |
| | Net surplus on transfer into trust | (2,476) | - | |
| | Capital grants from DfE/ESFA and other capital income | (296) | (245) | |
| | Interest receivable | (6) | (4) | |
| | Defined benefit pension scheme cost less contributions payable | 546 | 390 | |
| | Defined benefit pension scheme finance cost | 131 | 83 | |
| | Depreciation of tangible fixed assets | 478 | 403 | |
| | Movements in working capital: | | | |
| | (Increase)/decrease in debtors | (197) | 103 | |
| | Increase/(decrease) in creditors | 51 | (8) | |
| | Stocks, debtors and creditors transferred | (241) | - | |
| | Net cash provided by operating activities | <u>415</u> | <u>530</u> | |
| 20 | Analysis of changes in net funds | | | |
| | | 1 September | Cash flows | 31 August |
| | | 2019 | | 2020 |
| | | £'000 | £'000 | £'000 |
| | Cash | 1,326 | 536 | 1,862 |
| | | <u>1,326</u> | <u>536</u> | <u>1,862</u> |

21 Pension and similar obligations

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

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

Contributions amounting to £208,000 were payable to the schemes at 31 August 2020 (2019: £113,000) and are included within creditors.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations (Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). 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 £903,000 (2019: £526,000).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension 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 21.47% for employers and 5.5 - 12.5% for employees.

The LGPS obligation relates to the employees of the academy trust, being the employees joining from schools transferring into the trust and new employees who joined the scheme in the period. The obligation in respect of employees joining from schools transferring into the trust represents their cumulative service at both the predecessor school and the 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.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations (Continued)

| Total contributions made | 2020 £'000 | 2019 £'000 |
|--------------------------|---------------|---------------|
| Employer's contributions | 574 | 461 |
| Employees' contributions | 144 | 117 |
| Total contributions | 718 | 578 |

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

| | 2020 % | 2019 % |
|--|-----------|-----------|
| Rate of increase in salaries | 2.7 | 3.3 |
| Rate of increase for pensions in payment/inflation | 2.2 | 2.3 |
| Discount rate for scheme liabilities | 1.7 | 1.9 |

The assumed life expectations on retirement age 65 are:

| | 2020 Years | 2019 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 21.5 | 21.2 |
| - Females | 23.8 | 23.4 |
| Retiring in 20 years | | |
| - Males | 22.5 | 22.2 |
| - Females | 25.2 | 24.7 |

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

| | 2020 Fair value £'000 | 2019 Fair value £'000 |
|----------------------------|-----------------------------|-----------------------------|
| Equities | 6,203 | 3,835 |
| Bonds | 3,049 | 2,050 |
| Cash | 421 | 198 |
| Property | 841 | 529 |
| Total fair value of assets | 10,514 | 6,612 |

The actual return on scheme assets was £(272,000) (2019: £385,000).

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations (Continued)

| Amount recognised in the Statement of Financial Activities | 2020 | 2019 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Current service cost | 1,120 | 692 |
| Net interest cost | 131 | 83 |
| Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement | - | 159 |
| | <hr/> | <hr/> |
| Total operating charge | 1,251 | 934 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Changes in the present value of defined benefit obligations | | 2020 |
| | | £'000 |
| At 1 September 2019 | | 11,811 |
| Obligations acquired on transfer | | 6,268 |
| Current service cost | | 1,120 |
| Interest cost | | 296 |
| Employee contributions | | 144 |
| Actuarial (gain)/loss | | (403) |
| Benefits paid | | (36) |
| | | <hr/> |
| At 31 August 2020 | | 19,200 |
| | | <hr/> <hr/> |
| Changes in the fair value of the academy trust's share of scheme assets | | 2020 |
| | | £'000 |
| At 1 September 2019 | | 6,612 |
| Assets acquired on transfer | | 3,492 |
| Interest income | | 165 |
| Return on plan assets (excluding net interest on the net defined pension liability) | | (437) |
| Employer contributions | | 574 |
| Employee contributions | | 144 |
| Benefits paid | | (36) |
| | | <hr/> |
| At 31 August 2020 | | 10,514 |
| | | <hr/> <hr/> |

22 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period:

Mrs J Patrick who is CEO and a Trustee of Apollo Partnership Trust is related by marriage to the Deputy Head of Castle Rock High School. This employee received remuneration amounting to £75-80k (2019: £75-80k) which includes national insurance and pension contributions in the year. The post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of the relationship. As at 31 August 2020 £10-20k (2019: £0-5k) was outstanding in respect of this.

P Weston, a trustee of Apollo Partnership Trust, is also a director of Weston Education Ltd. During the year, £nil (2019: £720) was paid to Weston Education Ltd. for performance management services. As at 31 August 2020 £nil (2019: £nil) was outstanding in respect of this.

24 Schools transferred

On 1 March 2020 King Edward VII Science and Sport College transferred its operations and assets and liabilities to Apollo Partnership Trust 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 into trust.

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.

| Academy | Location | Date of transfer | |
|---|-----------------|-------------------------|-----------------------|
| King Edward VII Science and Sport College | Coalville | 1 March 2020 | |
| Net assets transferred: | | | 2020 £'000 |
| Leasehold land and buildings | | | 5,180 |
| Other tangible fixed assets | | | 160 |
| Cash | | | 153 |
| LGPS pension surplus/(deficit) | | | (2,776) |
| Other remaining net liabilities | | | (241) |
| | | | <hr/> |
| | | | 2,476 |
| | | | <hr/> <hr/> |

APOLLO PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Schools transferred (Continued)

| Funds surplus/(deficit) transferred: | Unrestricted | Restricted funds: | | Total |
|--------------------------------------|--------------|-------------------|--------------|--------------|
| | Funds | General | Fixed asset | 2020 |
| | £'000 | £'000 | £'000 | £'000 |
| Fixed assets funds | - | - | 5,340 | 5,340 |
| LGPS pension funds | - | (2,776) | - | (2,776) |
| Other funds | - | (88) | - | (88) |
| | <u>-</u> | <u>(2,864)</u> | <u>5,340</u> | <u>2,476</u> |
| | ===== | ===== | ===== | ===== |

There were no fair value adjustments required to the values reported by the transferring trust.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO APOLLO PARTNERSHIP TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 8 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, to obtain limited assurance about whether the expenditure disbursed and income received by Apollo Partnership Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2019 to 2020 Part 9: Regularity Reporting. We are independent of Apollo Partnership Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Apollo Partnership Trust's accounting officer and trustees

The accounting officer is responsible, under the requirements of Apollo Partnership Trust's funding agreement with the Secretary of State for Education dated 8 October 2018 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Apollo Partnership Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO APOLLO PARTNERSHIP TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

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 the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2019 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2019 to 2020.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Apollo Partnership Trust and the ESFA in accordance with the terms of our engagement letter dated 8 October 2018. Our work has been undertaken so that we might state to the Apollo Partnership Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Apollo Partnership Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP

Chartered accountants

Rivermead House

7 Lewis Court

Grove Park

Leicester

Leicestershire

LE19 1SD

Dated: ...29/01/2021...
