

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**FOR**

**DELTA ACADEMIES TRUST  
(a company limited by guarantee)**

**COMPANY REGISTERED NUMBER: 07386086  
AND AN  
EXEMPT CHARITY**

**DELTA ACADEMIES TRUST**  
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**DELTA ACADEMIES TRUST**

**REFERENCE AND ADMINISTRATIVE DETAIL**

|                                  |   |
|----------------------------------|---|
| <b>Company Members</b>           | Lesley Bailey<br>Sean Cavan (resigned 18 February 2019)<br>Denls Hird<br>Steven Hodsman<br>Neil Oliver (appointed 22 January 2019)<br>Richard Martin Robinson (appointed 4 January 2019)  |
| <b>Company Directors</b>         | Paul Tarn (CEO and Accounting Officer)<br>Steven Hodsman (Chair)<br>Lesley Bailey<br>Sean Cavan<br>Dorothy Glossop (appointed 10 September 2019)<br>David Haigh<br>Christopher Lomas<br>Emanuela Sani (resigned 11 January 2019)<br>David White   |
| <b>Executive Leadership Team</b> | Paul Tarn (Chief Executive Officer and Accounting Officer)<br>Gillian Wiles (Deputy CEO - Primary)<br>Christopher Mitchell (Deputy CEO - Secondary)<br>Karen Bromage (Chief Finance and Operations Officer)<br>Emma Mayor (Chief Compliance Officer and Company Secretary)<br>Andy Barnett (Executive Principal – Secondary)<br>Anne Elliott (Executive Principal – Primary)<br>Patricia Gavins (Executive Principal – Primary)<br>Trudi Bartle (Executive Principal – Primary) |

## DELTA ACADEMIES TRUST

### REFERENCE AND ADMINISTRATIVE DETAIL

The Delta Academies Trust includes the following academies, all of which have local Academy Advisory Bodies (AAB's). Details below reflect leadership as at 31 August 2019.

|   |  |
|---|--|
| <p><b>Principal:</b> John Higgins<br/><b>Ash Hill Academy</b><br/>Ash Hill Road<br/>Hatfield<br/>Doncaster<br/>DN7 6JH</p>                  | <p><b>Associate Executive Principal:</b><br/>Lisa Hillier<br/><b>Crookesbroom Primary Academy</b><br/>Crookesbroom Lane<br/>Hatfield<br/>Doncaster<br/>DN7 6JP</p> |
| <p><b>Head of Academy:</b> James Phillips<br/><b>Craven Primary Academy</b><br/>New Bridge Road<br/>Hull<br/>HU9 2DR</p>                    | <p><b>Associate Principal:</b> Elaine Briggs<br/><b>Darton Academy</b><br/>Ballfield Lane<br/>Darton<br/>Barnsley<br/>S75 5EF</p>                                  |
| <p><b>Associate Executive Principal:</b><br/>Christopher McCall<br/><b>De Lacy Academy</b><br/>Middle Lane<br/>Knottingley<br/>WF11 0BZ</p> | <p><b>Principal:</b> Anna Rooney<br/><b>De Warenne Academy</b><br/>Gardens Lane<br/>Conisbrough<br/>Doncaster<br/>DN12 3JY</p>                                     |
| <p><b>Associate Principal:</b> Hannah Thornton<br/><b>Don Valley Academy</b><br/>Jossey Lane<br/>Scawthorpe<br/>Doncaster<br/>DN5 9DD</p>   | <p><b>Associate Executive Principal:</b><br/>Lucy Carlisle<br/><b>East Garforth Primary Academy</b><br/>Aberford Road<br/>Garforth<br/>Leeds<br/>LS25 2HF</p>      |
| <p><b>Head of Academy:</b><br/>Helen Prout<br/><b>England Lane Academy</b><br/>England Lane<br/>Knottingley<br/>WF11 0JA</p>                | <p><b>Head of Academy:</b><br/>Natalie Oldroyd<br/><b>Estcourt Primary Academy</b><br/>Estcourt Street<br/>Hull<br/>HU9 2RP</p>                                    |
| <p><b>Principal:</b> Anna Young<br/><b>Garforth Academy</b><br/>Lidgett Lane<br/>Garforth<br/>Leeds<br/>LS25 1LJ</p>                        | <p><b>Principal:</b> Louise Chappell<br/><b>Grange Lane Infant Academy</b><br/>Grange Lane<br/>Doncaster<br/>DN11 0QY</p>  |

**DELTA ACADEMIES TRUST**

**REFERENCE AND ADMINISTRATIVE DETAIL**

|  |  |
|--|--|
| <p><b>Principal:</b><br/>Andrew Gaunt<br/><b>Greengates Primary Academy</b><br/>Stockhill Road<br/>Greengates<br/>Bradford<br/>BD10 9AX</p>    | <p><b>Head of Academy:</b><br/>Lucy Carlisle<br/><b>Green Lane Primary Academy</b><br/>Ribblesdale Avenue<br/>Garforth<br/>Leeds<br/>LS25 2JX</p>                      |
| <p><b>Principal:</b> Julian Harrison<br/><b>Goole Academy</b><br/>Centenary Road<br/>Goole<br/>DN14 6AN</p>                                    | <p><b>Principal:</b> Helen Acton<br/><b>Hatfield Woodhouse Primary School</b><br/>Main Street<br/>Hatfield Woodhouse<br/>Doncaster<br/>South Yorkshire<br/>DN7 6NH</p> |
| <p><b>Head of Academy:</b> Joanne Sercombe<br/><b>Highfields Primary Academy</b><br/>Coppice Road<br/>Highfields<br/>Doncaster<br/>DN6 7JB</p> | <p><b>Principal:</b> Graham Moffatt<br/><b>Hull Trinity House Academy</b><br/>Charlotte Street Mews<br/>Hull<br/>HU1 3BP</p>   |
| <p><b>Principal:</b> Ray Parkinson<br/><b>Ingleby Manor Free School</b><br/>Welwyn Road<br/>Stockton on Tees<br/>TS17 0FA</p>                  | <p><b>Principal:</b> Robert Spendlow<br/><b>John Whitgift Academy</b><br/>Crosland Road<br/>Grimsby<br/>South Humberside<br/>DN37 9E</p>                               |
| <p><b>Head of Academy:</b> Bernadette Law<br/><b>Kingston Park Academy</b><br/>Long Lane<br/>Carlton-in-Lindrick<br/>Worksop<br/>S81 9AW</p>   | <p><b>Principal:</b> Alex Gavin<br/><b>Lower Fields Primary Academy</b><br/>Fenby Avenue<br/>Bradford<br/>BD4 8RG</p>  |
| <p><b>Head of Academy:</b> Tom Herrick<br/><b>Macaulay Primary Academy</b><br/>Macaulay Street<br/>Grimsby<br/>DN31 2ES</p>                    | <p><b>Principal:</b> David Hewitt<br/><b>Manor Croft Academy</b><br/>Old Bank Road<br/>Earlsheaton<br/>Dewsbury<br/>WF12 7DW</p>                                       |
| <p><b>Associate Executive Principal:</b><br/>Zoe Bidmead<br/><b>Melior Community Academy</b><br/>Chandos Road<br/>Scunthorpe<br/>DN17 1HA</p>  | <p><b>Head of Academy:</b> Leigh Gordon<br/><b>Mersey Primary Academy</b><br/>Derwent Street<br/>Hull<br/>HU8 8TX</p>  |

**DELTA ACADEMIES TRUST**

**REFERENCE AND ADMINISTRATIVE DETAIL**

**Head of Academy:** Louise Musson  
**Montagu Academy**  
Park View  
Mexborough  
S64 9PH

**Head of Academy:** Riccardo Paffetti  
**Park View Primary Academy**  
Harlech Road  
Leeds  
LS11 7DG

**Principal:** Robert Burton  
**Rossington All Saints Academy**  
Bond Street  
New Rossington  
Doncaster  
DN11 0BZ

**Principal:** Rebecca Thompson  
**Serlby Park Academy**  
Whitehouse Road  
Bircotes  
Doncaster  
DN11 8EF

**Head of Academy:** Rachael Binns  
**Southmere Primary Academy**  
Ewart Street  
Bradford  
BD7 3NR

**Principal:** Joanne Gilbert  
**St Wilfrid's Academy**  
St Wilfrid's Road  
Doncaster  
DN4 6AH

**Principal:** Paul Rust  
**Morley Place Academy**  
Old Road  
Doncaster  
DN12 3LZ

**Associate Executive Principal:**  
Pippa Robinson  
**Pheasant Bank Academy**  
West End Lane  
Doncaster  
DN11 0PQ

**Principal:** Michelle Benton  
**Rowena Academy**  
Gardens Lane  
Conisbrough  
Doncaster  
DN12 3JY

**Head of Academy:**  
Sophie Taylor  
**Simpson's Lane Academy**  
Sycamore Avenue  
Knottingley  
WF11 0PL

**Associate Executive Principal:**  
Ruth Beckett  
**Strand Primary Academy**  
Strand Street  
Grimsby  
DN32 7BE

**Head of Academy:** Paula Harris  
**The Elland Academy**  
118 Gelderd Road  
Leeds  
LS12 6DQ

**DELTA ACADEMIES TRUST**

**REFERENCE AND ADMINISTRATIVE DETAIL**

|  |  |
|--|--|
| <p><b>Principal: John Warren</b><br/> <b>The Grove Academy</b><br/>                     59 Grove Road<br/>                     Harrogate<br/>                     HG1 5EP</p>  | <p><b>Associate Executive Principal:</b><br/>                     Richard Brooke<br/> <b>The Laurel Academy</b><br/>                     Maple Road<br/>                     Mexborough<br/>                     S64 9SD</p> |
| <p><b>Head of Academy:</b><br/>                     Salema Midgley Wright<br/> <b>The Parks Academy</b><br/>                     Courtway Road<br/>                     Hull<br/>                     HU6 9TA</p>                | <p><b>Associate Executive Principal:</b><br/>                     Nicola Williams<br/> <b>The Vale Academy</b><br/>                     Atherton Way<br/>                     Brigg<br/>                     DN20 8AR</p>    |
| <p><b>Head of Academy: Stuart Cooke</b><br/> <b>Vale Primary Academy</b><br/>                     Ferrybridge Road<br/>                     Knottingley<br/>                     Wakefield<br/>                     WF11 8JF</p> | <p><b>Head of Academy:</b><br/>                     Catherine Davenport<br/> <b>Weelsby Academy</b><br/>                     Weelsby Street<br/>                     Grimsby<br/>                     DN32 7PF</p>           |
| <p><b>Head of Academy: Rebecca</b><br/>                     Stansfield<br/> <b>Whetley Academy</b><br/>                     Whetley Lane<br/>                     Bradford<br/>                     BD8 9HZ</p>                  | <p><b>Head of Academy: Elaine Jubb</b><br/> <b>Willoughby Road Primary Academy</b><br/>                     Willoughby Road<br/>                     Scunthorpe<br/>                     DN17 2NF</p>                        |
| <p><b>Associate Executive Principal:</b><br/>                     Ruth Beckett<br/> <b>Willows Academy</b><br/>                     Queensway<br/>                     Grimsby<br/>                     DN37 9AT</p>             | <p><b>Head of Academy:</b><br/>                     Chris Parkinson<br/> <b>Willow Green Academy</b><br/>                     Hampden Close<br/>                     Ferrybridge<br/>                     WF11 8PT</p>       |
| <p><b>Principal: Sharon Hatton</b><br/> <b>Worlaby Academy</b><br/>                     Low Road<br/>                     Worlaby<br/>                     Brigg<br/>                     DN20 0NA</p>                           | <p><b>Principal: Carol Walker</b><br/> <b>Wybers Wood Academy</b><br/>                     Timberley<br/>                     Grimsby<br/>                     DN37 9QZ</p>  |

In addition to the above, we also have a number of Associate Executive Principals working across a number of academies: Donna Brown, David Irving, Vicki Pearson and Andrew Yeomans.

**DELTA ACADEMIES TRUST**

**REFERENCE AND ADMINISTRATIVE DETAIL**

**Registered Office  
and Head Office**

Delta Academies Trust  
Education House  
Spawd Bone Lane  
Knottingley  
WF11 0EP

**Company Registration Number**

7386086 (England and Wales)

**Auditors**

KPMG UK  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

**Bankers**

The Royal Bank of Scotland  
2<sup>nd</sup> Floor  
PO Box 4862  
5 Church Street  
Sheffield  
S2 9EQ

**Solicitors**

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



## **DELTA ACADEMIES TRUST**

### **REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019**

The directors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2019.

#### **Structure, Governance and Management**

##### **Constitution**

Delta Academies Trust (the Trust) was incorporated on the 23 September 2010. It is a company limited by guarantee with no share capital (registration no. 07386086) and is an exempt charity under the Academies Act 2010. The charitable company's memorandum and articles of association dated 11 October 2010, are the primary governing documents of the Trust.

Directors of the charitable company are nominated by either the Secretary of State for Education or by the Members. Directors are volunteers drawn from both the public and private sectors. The Trust is a single-trust multi-academy sponsor, with a clear geographical context, mainly in the Yorkshire and Humber region. It acts as one employer across all the academies within the Trust.

##### **Members' liability**

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

##### **Trustees Indemnities**

In accordance with normal commercial practice Delta Academies Trust has purchased insurance to protect Directors/Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 on any one claim.

##### **Governance**

The Members have an overview of the governance arrangements of the Trust and the power to appoint and remove directors. The directors of the charitable company are directors for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

The Members and directors, who were in office at 31 August 2019 and up to the date of signature of the financial statements and served throughout the year, are listed on page 3.

Board Members act collectively and they do not have individual executive authority, with the exception of the Chief Executive Officer (CEO). The Board has delegated to the CEO all responsibility for the day-to-day management of the company. Where a matter is not specifically reserved to the Board, the CEO has authority to act. During the year under review the Board of Directors (BoD) held 7 meetings.

Sub-committees of the BoD include the Audit and Risk Committee, Finance, Capital and Resources Committee and the Remuneration Committee. In addition two new committees were formed in November 2018 these being the Education Inclusion Committee and Education Standards Committee. Terms of Reference were reviewed and updated in relation to all committees during the year.

The Audit and Risk Committee met 3 times during the year, with the Finance, Capital and Resources Committee also meeting 5 times. In the autumn term, business within the terms of the Audit and Risk Committee, in relation to the external audit, was discussed at the Full Board of Directors meeting in December 2018, rather than at committee. The Remuneration Committee met twice during the year and comprises of at least three board members and the two new Education Committees met twice during the academic year.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Structure, Governance and Management (continued)

Each committee will present the minutes of its meetings to the BoD as soon as possible after each committee meeting. The committees will make recommendations to the BoD as they consider appropriate.

The Trust has further reviewed the governance structures during this academic year with a view to recruiting additional Members and Directors. The BoD appointed an additional Director shortly following the 31 August 2019 following the resignation of one director in January 2019. A further two Members were appointed in January 2019.

Each individual Academy within the group has a local committee, an Academy Advisory Body (AAB), which is also a sub-committee of the main Delta Academies Trust Board. The AAB plays a key role in the life of each Academy and provides a link to the community they serve. Our model of governance delegates procedural and statutory powers in relation to the operation of each academy to the Academy Principal/Head of Academy, with the AAB providing local scrutiny. This is shared through a published handbook and scheme of delegation.

The AAB is responsible for overseeing the broad academy objectives for their own locality – working with the Academy Senior Leadership Team (SLT) to improve the whole life of the academy and its impact on its community.

The AAB at each academy met, as a minimum, at least once each term with an additional meeting at the start of the academic year.

The training and induction provided to new Members, Directors and AAB members will depend on their existing experience, where necessary induction will provide training on charity, educational, legal and financial matters. All new AAB members will also be given a tour of the Academy and the chance to meet with staff and students.

All Members, Directors and AAB members are provided with copies of policies. As there are normally only two or three new AAB members a year, induction tends to be done informally and is tailored specifically to the individual. Delta Academies Trust also has a Continual Professional Development (CPD) programme and online resources and a training tool which can be accessed by all Directors and AAB members.

The structure of the Academy Advisory Bodies, are detailed within the Governance Handbook, of which all academies have a copy. There is also a published guidance framework for AAB assurance activities.

#### Organisational Structure

Delta Academies Trust included 50 academies as at 31 August 2019. These are as follows:

| <i>Name</i>                                    | <i>Date joined</i>             | <i>Type</i> |
|--|--------------------------------|-------------|
| Garforth Academy                               | 1 <sup>st</sup> November 2010  | Secondary   |
| Green Lane Primary Academy                     | 1 <sup>st</sup> November 2010  | Primary     |
| Rossington All Saints Academy                  | 26 <sup>th</sup> April 2011    | Secondary   |
| Ash Hill Academy                               | 1 <sup>st</sup> September 2011 | Secondary   |
| Don Valley Academy and Performing Arts College | 1 <sup>st</sup> September 2011 | Secondary   |
| Grange Lane Infant Academy                     | 1 <sup>st</sup> September 2011 | Infant      |
| John Whitgift Academy                          | 1 <sup>st</sup> September 2011 | Secondary   |
| Pheasant Bank Academy                          | 1 <sup>st</sup> September 2011 | Junior      |
| Serlby Park Academy                            | 1 <sup>st</sup> September 2011 | 3 - 19      |
| The Vale Academy                               | 1 <sup>st</sup> September 2011 | Secondary   |
| Rowena Academy                                 | 1 <sup>st</sup> November 2011  | Infant      |

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Structure, Governance and Management (continued)

| <b>Name</b>  | <b>Date joined</b>             | <b>Type</b>           |
|--|--------------------------------|-----------------------|
| De Warenne Academy                                 | 1 <sup>st</sup> December 2011  | Secondary             |
| Crookesbroom Primary Academy                       | 1 <sup>st</sup> April 2012     | Primary               |
| De Lacy Academy                                    | 1 <sup>st</sup> April 2012     | Secondary             |
| Hatfield Woodhouse Primary School                  | 1 <sup>st</sup> April 2012     | Primary               |
| Highfields Primary Academy                         | 1 <sup>st</sup> April 2012     | Primary               |
| Hull Trinity House Academy                         | 1 <sup>st</sup> April 2012     | Secondary             |
| Vale Primary Academy                               | 1 <sup>st</sup> July 2012      | Primary               |
| Weelsby Academy                                    | 1 <sup>st</sup> July 2012      | Primary               |
| Simpson's Lane Academy                             | 1 <sup>st</sup> August 2012    | Primary               |
| Willow Green Academy                               | 1 <sup>st</sup> August 2012    | Primary               |
| Worlaby Academy                                    | 1 <sup>st</sup> August 2012    | Primary               |
| Park View Primary Academy                          | 1 <sup>st</sup> September 2012 | Primary               |
| Strand Primary Academy                             | 1 <sup>st</sup> October 2012   | Primary               |
| Macaulay Primary Academy                           | 1 <sup>st</sup> November 2012  | Primary               |
| Kingston Park Academy                              | 1 <sup>st</sup> December 2012  | Primary               |
| Whetley Academy                                    | 1 <sup>st</sup> December 2012  | Primary               |
| Wybers Wood Academy                                | 1 <sup>st</sup> December 2012  | Primary               |
| Melior Community Academy                           | 1 <sup>st</sup> January 2013   | Secondary             |
| Willows Academy                                    | 1 <sup>st</sup> May 2013       | Primary               |
| East Garforth Primary Academy                      | 1 <sup>st</sup> September 2013 | Primary               |
| Manor Croft Academy                                | 1 <sup>st</sup> September 2013 | Secondary             |
| The Grove Academy                                  | 1 <sup>st</sup> September 2013 | Alternative Provision |
| Mersey Primary Academy                             | 1 <sup>st</sup> October 2013   | Primary               |
| Craven Primary Academy                             | 1 <sup>st</sup> November 2013  | Primary               |
| England Lane Academy                               | 1 <sup>st</sup> December 2013  | Primary               |
| The Parks Academy                                  | 1 <sup>st</sup> December 2013  | Primary               |
| Estcourt Primary Academy                           | 1 <sup>st</sup> April 2014     | Primary               |
| Willoughby Road Primary Academy                    | 1 <sup>st</sup> April 2014     | Primary               |
| Ingleby Manor Free School and 6 <sup>th</sup> Form | 1 <sup>st</sup> September 2014 | Secondary             |
| St Wilfrid's Academy                               | 1 <sup>st</sup> September 2014 | Alternative Provision |
| The Elland Academy                                 | 1 <sup>st</sup> September 2014 | Alternative Provision |
| Goole Academy                                      | 1 <sup>st</sup> April 2018     | Secondary             |
| Montagu Academy                                    | 1 <sup>st</sup> April 2018     | Primary               |
| Morley Place Academy                               | 1 <sup>st</sup> April 2018     | Junior                |
| Darton Academy                                     | 1 <sup>st</sup> October 2018   | Secondary             |
| The Laurel Academy                                 | 1 <sup>st</sup> November 2018  | Secondary             |
| Greengates Primary Academy                         | 1 <sup>st</sup> December 2018  | Primary               |
| Lower Fields Primary Academy                       | 1 <sup>st</sup> December 2018  | Primary               |
| Southmere Primary Academy                          | 1 <sup>st</sup> January 2019   | Primary               |

On the 22 August 2014 a new Master Funding Agreement (MFA) was signed and sealed by the Secretary of State for Education, this superseded all previous MFA's. The new MFA included a Deed of Variation and updated Supplementary Funding Agreements (SFA) for every academy. A further MFA was entered into on 28 September 2018, for all new academies joining the Trust and where variations are made to current SFAs.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Structure, Governance and Management (continued)

Deeds of Variation have since also been entered into in relation to amending the pupil capacity within the Supplementary Funding Agreements (SFA) as detailed below.

|                              |   |
|------------------------------|---|
| The Vale Academy             | Deed of Variation dated 14 <sup>th</sup> August 2015    |
| Green Lane Primary Academy   | Deed of Variation dated 29 <sup>th</sup> September 2015 |
| Simpson's Lane Academy       | Deed of Variation dated 31 <sup>st</sup> March 2016     |
| Grange Lane Infant Academy   | Deed of Variation dated 24 <sup>th</sup> August 2016    |
| John Whitgift Academy        | Deed of Variation dated 6 <sup>th</sup> November 2018   |
| Macaulay Primary Academy     | Deed of Variation dated 6 <sup>th</sup> November 2018   |
| Crookesbroom Primary Academy | Deed of Variation dated 30 <sup>th</sup> August 2019    |

In addition to the above, the Trust has agreed with the Education and Skills Funding Agency (ESFA), variations to three SFAs where significant pupil growth is predicted. These agreements are in place for three years from 2018/19 for John Whitgift Academy, Manor Croft Academy and Mellor Community Academy where they will now be funded in year based on actual numbers at the October census rather than lagged funding.

On the 1 October 2018 Darton College, in Barnsley, converted to an academy, now known as Darton Academy. Greengates Primary School and Lower Fields Primary School both based in Bradford converted to academies on 1<sup>st</sup> December 2018. Details of these conversions are within note 31 to the accounts.

Mexborough Academy transferred in from Wakefield City Academies Trust on 1<sup>st</sup> November 2018 and was renamed The Laurel Academy and Southmere Primary Academy transferred to the Trust from Northern Education Trust on 1<sup>st</sup> January 2019. Details of these transfers are within note to the accounts.

The Board of Directors (BoD) sets out the Trust's group strategy and operational policy in key areas, which are then applied within and across all the academies through the organisational framework and schemes of delegation.

The Chief Executive Officer (CEO) is a member of the BoD and is also the Accounting Officer for Delta Academies Trust.

The Accounting Officer, on behalf of the BoD, takes personal responsibility for assuring compliance with the Academies Financial Handbook (AFH), the Master Funding Agreement's (MFA) and all relevant aspects of company and charitable law. The CEO, with support from his Executive Leadership Team (ELT) - have delegated responsibility under the BoD guidance, for the overall organisation, management and staffing of the organisation and for its procedures in financial and other matters, including conduct and discipline. The CEO and ELT provide overall leadership of the Core Team (CT).

Delta Academies Trust supports its academies through the CT, which has two functions: Academy Performance and Support Services. Each Academy contributes a proportion of its income to fund these core services. A percentage was set at 3.9% for the period ended 31 August 2019 (2018 - 3.9%) and this is reviewed annually by the Board of Directors (BoD).

The CT monitors and supports the work of academies to help ensure consistent practice across the group. It has wide-ranging responsibilities across all its academies for assuring and ensuring educational improvement and for providing key business services as agreed by the BoD, especially in the areas of Finance, HR and Recruitment, Compliance (including Data Protection), Facilities, ICT and Data.

## **DELTA ACADEMIES TRUST**

### **REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019**

#### **Structure, Governance and Management (continued)**

The CEO or his representative will report as appropriate to each AAB at times throughout the academy year. These reports will complement and enhance reports from the academy and provide information on the progress of the local institution and the actions of the CT. The school and academy principals will contribute to this reporting process.

All members of the CT are ultimately accountable to the CEO and ELT. These senior staff who quality assure the work of the CT, are responsible for the recruitment of staff and ensuring adequate training of CT members and are accountable for this to the Board of Directors. The CT will support and inform the production of Academies' Development Plans. The CT's own Development Plan will reflect the priorities of the group members and be reviewed and adjusted annually against improvement priorities set by Delta Academies Trust and the AAB's. The CEO and his representatives actively participate in local governance.

The ELT, in addition to the CEO includes Secondary and Primary Deputy CEOs, Executive Principals, Chief Finance and Operations Officer and Chief Compliance Officer. The Deputy CEOs and Executive Principal's work across the academies, together with other members of the CT, to support and inform the production of the Academies Improvement Plan and quality assure and monitor student achievement and progress, providing challenge to Academy senior leaders.

Core Team members will advise the AAB on Finance, Human Resources Management and Capital Work Provision (including Health and Safety) and Data Protection. The advice received from the CT is provided on behalf of the BoD and is consequently binding. The AAB must consult with CT before making any decisions that may affect the agreed levels of delegation as set out within the Trust's Governance Handbook and the AAB's must report to CT actions taken within the scope of that delegation.

The Scheme of Delegation also specifies the level of financial control and delegation between the centre and member academies. The Trust will set out the arrangements for assuring financial compliance through internal and external audit processes.

The SLT at each academy differs depending on need and could include: Executive Principal, Principal, Head of Academy, Vice Principal and Assistant Principals and/or Associate Roles. These managers control the Academy at a local level implementing the policies laid down by the Board of Directors, the ELT and the AAB and reporting back to them. As a group the Senior Leadership Team at academies are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to members of the Middle Management Team, but all expenditure is countersigned by SLT or at certain levels the Core Finance Team, Delta Academies Trust Chief Finance and Operations Officer and Chief Executive Officer.

#### **Key Management Personnel**

The Executive Leadership team (ELT) referred to on page 3 are also classed as key management personnel for the purposes of reporting under FRS102. The salary scales of the CEO and the Deputy CEOs and Executive Principals are set, with reference to the School Teachers Pay and Conditions document and guidance published by the Department for Education (DfE), by the directors.

The Chief Finance and Operations Officer and Chief Compliance Officer are paid on a leadership pay scale, the salary range assigned to each post was agreed by Directors, taking into account the overall responsibilities and duties of each role and was benchmarked against organisations of a similar size.

The directors receive recommendations for the salary ranges for ELT from the CEO.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Structure, Governance and Management (continued)

##### Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must publish the following information. All calculations are based on the Trade Union (Facility Time Publication Requirements) Regulations 2017 and are for the period from 1 April to 31 March 2019 as reported on the government website.

##### Relevant Union Officials

| Number of employees who were relevant union officials during the relevant period | Full time equivalent employee number |
|--|--------------------------------------|
| 4  | 1.03                                 |

##### Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0%                 | 0                   |
| 1% to 50%          | 4                   |
| 51% - 99%          | 0                   |
| 100%               | 0                   |

##### Percentage of pay bill spent on facility time

|  |             |
|--|-------------|
| The Total cost of facility time  | £48,142     |
| The Total pay bill at 31 March 2019 (Gross Employers NI and Employers Pension) | £77,351,030 |
| The % of the Total pay bill spent on facility time                             | 0.06%       |

##### Paid trade union activities

|  |       |
|--|-------|
| Time spent on paid trade union activities as a % of total paid facilities time hours | 1.65% |
|--|-------|

##### Connected Organisations and Related Party Transactions

Delta Academies Trust has a trading subsidiary Delta Academies Services Limited. Details relating to the subsidiary are disclosed within note 29.

One of the directors of Delta Academies Trust is also a director of Delta Academies Charitable Trust, which is a charitable organisation that fund raises and offers grants to students from our academies.

## **DELTA ACADEMIES TRUST**

### **REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019**

#### **Objectives and Activities (continued)**

##### **Objectives and Activities**

We consider the following outline of our aims, objectives, strategies and activities as demonstrating our commitment to the provision for public benefit.

The principal object and activity of the charitable company is the operation of Delta Academies Trust, to advance, for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing by, establishing, maintaining, carrying on, managing and developing schools ('the Academies') offering a broad and balanced curriculum.

In accordance with the Articles of Association the charitable company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting students to each Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum and their practical applications.

##### **Objects and Aims**

###### **Vision**

Our vision is based on the values and the principles of Delta Academies Trust. The vision is about '*Changing lives*' and relates directly to the Trust Mission Statement.

*'To improve educational outcomes for communities in the North of England, creating a sustainable organisation that improves our society and the wider environment.'*

There are seven strategies and seven core values to help deliver the Trust vision. These are

###### **Strategies**

1. To ensure high quality sustained performance and educational outcomes for all Delta academies.
2. To operate a financially sustainable organisation, characterised by high value for money.
3. To collaborate with others to establish a Northern Alliance of powerful Multi Academy Trusts and other stake holders that will transform educational outcomes in the North of England.
4. To develop high quality education leadership to enhance the capacity to drive improvement.
5. Train and develop high quality teachers and staff creating an opportunity to share best practice through the establishment of 'The Education Exchange'.
6. To create a generation of young people who are socially and environmentally responsible.
7. To ensure that young people are confident, employable and have the knowledge and skills to challenge received wisdom.

## **DELTA ACADEMIES TRUST**

### **REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019**

#### **Objectives and Activities (continued)**

#### **Objects and Aims (continued)**

#### **Core Values**

We will:

1. Place children and students at the heart of everything we do.
2. Place collaboration before competition, working with others for the betterment of all.
3. Develop and support professionals in our own and other academies and schools to establish practice that improves lives.
4. Ensure that all children make good progress irrespective of their starting point and those young people facing disadvantage are lifted from educational poverty.
5. Never do anything to the detriment of learners, staff, or other stakeholders, in a neighbouring community.
6. Adhere to the 'Seven Principles of Public Life'.
7. Promote environmental awareness and protection locally, nationally and globally.

The Board of Directors has set out Goals/Objectives for the Trust. These can be summarised as follows:

- Ensure that outcomes in all Delta academies are above those for all similar groups of learners, from similar starting points nationally.
- Ensure that each academy is financially sustainable and that the 'core' service supporting the academies operates in a financially efficient and effective way and that the built environment is conducive to learning.
- To work with Ministers, the National Schools Commissioner, Regional Schools Commissioner, and others, to support school improvement across the North.
- Ensure that current leaders have the knowledge and understanding to lead their Trust and that there is sufficient capacity within the system to secure effective succession planning.
- Establish a range of alternative pathways to encourage entry into the teaching profession, especially targeting and supporting in shortage subjects or located in geographically hard to recruit areas.
- Establish what the Delta curriculum means to stakeholders.
- Establish a range of experiences that ensure student confidence and employability.

The Trust is committed to outstanding educational provision for pupils, students and the local community. We seek to support lifelong learning and provide excellence in teaching through the encouragement of high expectations.



**DELTA ACADEMIES TRUST**  
**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT**  
**For the Year Ended 31 August 2019**

**Public benefit**

We have referred to the public benefit guidance contained in the Charity Commission general guidance when reviewing the Academy's aims and objectives and in planning future activities and we consider the outline contained within this report, of our aims, objectives, strategies and activities as demonstrating our commitment to the provision of public benefit.

**Employee Involvement**

Delta Academies Trust encourages the involvement of its employees in its management through regular meetings. It is the responsibility of the Executive Leadership Team (ELT) to disseminate information of a particular concern to employees, (including financial and economic factors affecting performance of the Trust) and for receiving their views in important matters of policy.

**Equal opportunities and employment of disabled persons**

Delta Academies Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove barriers which place people at a disadvantage and we will actively promote inclusion. This policy will be resourced, implemented and monitored on a planned basis.

The Trust's Equality and Diversity Policy is publicly available.

The academies consider all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. Delta Academies Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. An equalities policy is published each year and monitored by CT managers and AAB members.

***Disability statement***

The academies seek to achieve the objectives set down in the Equality Act 2010.

- Each academy has appointed a responsible person, who provides information, advice and arranges support where necessary for students with disabilities.
- The admissions policy for all students is described in each academy's supplementary funding agreement. Appeals against a decision not to offer a place are dealt with under the admissions policy and with reference to the national guidelines. The policies are reviewed annually by the AAB.
- Delta Academies Trust, together with each academy has made a significant investment in the appointment of specialist teachers to support students with learning difficulties and/or disabilities. There are a number of student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- Provision for special educational needs is available within each academy.
- Counselling and welfare services are described in each academy's Student Planner, which is issued to students.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### STRATEGIC REPORT

##### Modern Slavery Act 2015 Statement

The Trust has reviewed its existing policies and procedures in light of the Modern Slavery Act 2015 and we are confident that our policies promote good behaviour among our colleagues at work and within our Trust. Our policies and procedures are kept under review to make sure that they reflect the changing needs of the Trust and of the staff, students/pupils and the communities it serves.

Among the policies in the Trust, that we consider give us strength in avoiding modern slavery or human trafficking under the Act are:

- Code of Conduct & Confidentiality;
- Equality & Diversity Policy;
- Anti - Fraud Policy;
- Gifts, Hospitality Policy
- Related Party Policy;
- Safer Recruitment Policy;
- Whistleblowing Policy.

The whistleblowing policy has been amended to draw attention to the risk of modern slavery or human trafficking and to stress that a report of concern in relation to those matters can be made under the protection of the whistleblowing policy.

This statement can be provided on request and has been approved by the Trust Board of Directors and is made pursuant to section 54(1) of the Modern Slavery Act 2015. It is also published on our website.

##### Achievements and Performance

The Trust recognises the important role that Ofsted plays in monitoring standards. The profile of our academies continues to show improvements against the rigour of the Ofsted Framework and their focus on achievement.

##### *Primary Academies:*

Of the 29 primaries with an Ofsted category (2017/18 – 26), inspections during the academic year were as follows:

- There are 23 (2017/18 - 22) academies that are 'good' or better which equates to 79.3% (2017/18 - 85%);
- Of the 5 primary academies that have been inspected in this year;
  - 1 academy moved from 'Inadequate' to 'Good' (Pheasant Bank Academy)
  - 2 academies moved from 'Requires Improvement' to 'Good' (England Lane Academy and Willoughby Road Primary Academy).
  - 6 academies maintained their 'Good' judgement (Crookesbroom Primary Academy, Grange Lane Infant Academy, Hatfield Woodhouse Primary School, Mersey Primary Academy, Willows Academy and Worlaby Academy)
  - 1 academy remained at 'Requires Improvement' (Strand Primary Academy)
  - 3 academies moved from 'Good' to 'Requires Improvement' (Park View Primary Academy, Macaulay Primary Academy and Weelsby Academy).

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### STRATEGIC REPORT (continued)

#### Achievements and Performance (continued)

##### *Primary Academies:*

- 1 academy remained at 'Inadequate', with 'Requires Improvement' in all areas apart from outcomes. This academy had only been with the Trust from 1<sup>st</sup> April 2018 and was only inspected in February 2019) (Morley Place Academy).

##### *Secondary Academies:*

In 2018/19 two secondary academies were inspected during the year, Don Valley Academy and Melior Community Academy. Both academies moved from a judgement of 'Requires Improvement' to 'Good', with Melior Community Academy also receiving 'Outstanding' for leadership.

The above represents a profile where 76.9%, 10 out of 13 academies (2018 – 61.5% 8/13) of the secondary academies inspected have either sustained their 'Outstanding/Good' Judgement, or improved their Ofsted category to 'Good' or 'Outstanding' whilst part of the Trust. Three academies have not been inspected since joining the Trust.

#### Trust Results 2018/19

##### **KS2**

The percentage of pupils meeting the expected standard in reading, writing and maths was 65% (2017/18 – 67%), meeting national average of 65% (2017/18 – 65%)

15 primaries (2017/18 - 18) were above national for meeting expected standard, however 16 primaries (2017/18 - 13), exceeded the national higher standard.

Trust progress scores were as follows for 2019 against 2018:

- Reading +0.5 (2017/18 - +1.1)
- Writing +1.7 (2017/18 - +2.1)
- Maths +1.8 (2017/18 - +2.0)

Reading results were 70% (2017/18– 74%), only 3 % below national expectations. We have 12 academies in the top 25% nationally for Reading progress, with 4 academies in the top 10% of schools nationally.

Writing was stable at 80%, which was 2% above the national at 78%, consolidating once again on the previous year's results where we saw considerable increases.

Maths saw an increase of 2% in 2018/19 and is now 3% above national at 79%. We now have 14 academies in the top 25% for Maths progress, with 7 academies in the top 10%.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### KS4

The Trust results for secondary KS4: 68% of pupils achieved Grade 4 or above in both English and Maths (2017/18 – 70%). Grade 5 46% (2017/18 - 49%), this is against national of Grade 4 64.2% and Grade 5 – 43.3% respectively.

The Progress 8 score for the Trust has also been maintained at +0.31 (2017/18 - +0.36). Progress figures again are well above national +0.0 and floor of -0.5.

#### KS5

Garforth Academy and The Vale Academy performed at National. A review of Post 16 across Doncaster is being undertaken.

#### Primary Academies

Notable achievements for 2019 outcomes:

- Following on from the significant increases in 2018 for pupils meeting expected standard in Reading Writing and Maths, attainment increased once again in 2019; Crookesbroom Primary Academy 9%, East Garforth Primary Academy 7%, Estcourt Primary Academy 8%, Montagu Academy 13%, Morley Place Academy 17%. Park View Primary Academy 9%, Strand Primary Academy 17% and Willoughby Road Primary Academy 10%.
- Progress Scores in Reading for 2019 saw results at Crookesbroom Primary Academy +6.2 and Estcourt Primary Academy +5.6.
- Significant results at Progress in Writing for 2019 at Strand Primary Academy +-5.1 and Willows Academy +4.4.
- Improvements in the Progress results in Maths were seen with outcomes at Craven Primary Academy +4.0, England Lane Academy +4.0 and Estcourt Primary Academy +5.7.
- The two Infant academies Rowena Academy and Grange Lane Infant Academy also saw results once again in at national or above for 2018/19.

#### Secondary Academies

Notable achievements for 2019 outcomes:

- No academy was below floor standard for progress 8.
- Overall progress 8 scores shows 12 out of 16 academies were positive. Three academies, Ash Hill Academy, Don Valley Academy and The Laurel Academy all showed increases on 2017/18 results. Some of these scores are hugely impressive. Significant increase in Progress were seen at Darton Academy, which joined the Trust in October 2018, progress rose from -0.46 to +0.39, an increase of 0.85. Progress also increased significantly at Goole Academy +0.51 now with a progress score of +0.37. The Laurel Academy joined the Trust in November 2018 and saw an increase in progress score by +0.50. The academy is now above floor for the first time in 3 years.
- Other notable progress figures are Garforth Academy +0.50, John Whitgift Academy +0.67, Manor Croft Academy +0.67 and Rossington All Saints Academy +0.58.
- English: Progress saw a consistent rise in achievement on both 4+ and 5+ over the past two years, placing the Trust currently 14% above national average for 5+. Our disadvantage pupils in English Language have also outperformed all pupils nationally on both 4+ and 5+.
- Progress in Maths for the Trust was +0.24. Academies making significant gains are Darton Academy at +0.51 an increase of +0.88, Goole Academy increased by +0.26 to +0.01 and Serlby Park Academy is at +0.63 an increase of +0.45. The Laurel Academy also saw an increase in its Maths progress score by +0.29.
- Darton Academy +0.39, the highest performing school in Barnsley; John Whitgift Academy +0.67, the highest performing school in North East Lincolnshire; Manor Croft Academy +0.67, the highest non selective school in Kirklees; Rossington All Saints Academy +0.58, the highest performing school in Doncaster.

**DELTA ACADEMIES TRUST**

**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT  
For the Year Ended 31 August 2019**

**Achievements and Performance (continued)**

The achievements and performance of each academy are shown below:

**Primaries**

|   | Green Lane Primary Academy | Grange Lane Infant Academy | Pheasant Bank Academy | Seriby Park Academy (Primary) | Rowena Academy | Crookes-broom Primary Academy | Hatfield Woodhouse Primary School | Highfields Primary Academy | Vale Primary Academy | Weelsby Academy |
|---|----------------------------|----------------------------|-----------------------|-------------------------------|----------------|-------------------------------|-----------------------------------|----------------------------|----------------------|-----------------|
| Date Joined   | 1 Nov 2010                 | 1 Sept 2011                | 1 Sept 2011           | 1 Sept 2011                   | 1 Nov 2011     | 1 Apr 2012                    | 1 Apr 2012                        | 1 Apr 2012                 | 1 Jul 2012           | 1 Jul 2012      |
| KST Results   | 2019 (2018)                | 2019 (2018)                | 2019 (2018)           | 2019 (2018)                   | 2019 (2018)    | 2019 (2018)                   | 2019 (2018)                       | 2019 (2018)                | 2019 (2018)          | 2019 (2018)     |
| % Age Related - Reading                             | 78% (88%)                  | 74% (75%)                  | N/A                   | 70% (63%)                     | 86% (95%)      | 72% (72%)                     | 83% (80%)                         | 74% (55%)                  | 73% (63%)            | 53% (53%)       |
| % Age Related - Writing                             | 73% (77%)                  | 74% (76%)                  | N/A                   | 68% (63%)                     | 84% (88%)      | 72% (69%)                     | 76% (73%)                         | 53% (45%)                  | 73% (60%)            | 47% (47%)       |
| % Age Related - Maths                               | 72% (85%)                  | 76% (73%)                  | N/A                   | 75% (63%)                     | 89% (91%)      | 72% (73%)                     | 86% (80%)                         | 63% (65%)                  | 80% (73%)            | 57% (57%)       |
| <b>KS2 Results</b>                                  |                            |                            |                       |                               |                |                               |                                   |                            |                      |                 |
| % Age Related - Reading, Writing and Maths combined | 78% (77%)                  | N/A                        | 68% (65%)             | 71% (79%)                     | N/A            | 88% (79%)                     | 69% (87%)                         | 30% (44%)                  | 77% (75%)            | 34% (65%)       |
| <b>Levels of Progress</b>                           |                            |                            |                       |                               |                |                               |                                   |                            |                      |                 |
| % Age Related - Reading                             | 0.5 (3.6)                  | N/A                        | -0.8 (-1.1)           | 0.9 (5.4)                     | N/A            | 6.2 (2.7)                     | 1.5 (2.9)                         | -4.0 (-6.3)                | -0.9 (-1.1)          | -2.7 (-1.3)     |
| % Age Related - Writing                             | 0.3 (2.4)                  | N/A                        | 1.9 (1.9)             | -0.1 (2.0)                    | N/A            | 3.1 (2.7)                     | 1.8 (0.7)                         | 1.3 (-3.7)                 | 3.3 (0.3)            | -1.8 (-0.8)     |
| % Age Related - Maths                               | 1.0 (1.9)                  | N/A                        | 1.6 (-0.5)            | 2.0 (5.0)                     | N/A            | 3.7 (4.2)                     | 3.5 (0.6)                         | -1.5 (-4.4)                | 2.5 (0.6)            | 1.0 (2.9)       |
| <b>Attendance</b>                                   |                            |                            |                       |                               |                |                               |                                   |                            |                      |                 |
| Whole School  | 97% (97%)                  | 96% (96%)                  | 95% (95%)             | 95% (95%)                     | 96% (96%)      | 96% (95%)                     | 95% (95%)                         | 95% (95%)                  | 96% (96%)            | 94% (95%)       |

DELTA ACADEMIES TRUST

REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT  
For the Year Ended 31 August 2019

Achievements and Performance (continued)

Primaries (continued)

|   | Simpsons Lane Academy | Willow Green Academy | Worlaby Academy | Park View Primary Academy | Strand Primary Academy | Macaulay Primary Academy | Kingston Park Academy | Whetley Academy | Wybers Wood Academy | Willows Academy | East Garforth Primary Academy |
|---|-----------------------|----------------------|-----------------|---------------------------|------------------------|--------------------------|-----------------------|-----------------|---------------------|-----------------|-------------------------------|
| Date Joined   | 1 Aug 2012            | 1 Aug 2012           | 1 Aug 2012      | 1 Sept 2012               | 1 Oct 2012             | 1 Nov 2012               | 1 Dec 2012            | 1 Dec 2012      | 1 Dec 2012          | 1 May 2013      | 1 Sept 2013                   |
| KS1 Results   | 2019 (2018)           | 2019 (2018)          | 2019 (2018)     | 2019 (2018)               | 2019 (2018)            | 2019 (2018)              | 2019 (2018)           | 2019 (2018)     | 2019 (2018)         | 2019 (2018)     | 2019 (2018)                   |
| % Age Related - Reading                             | 54% (53%)             | 72% (74%)            | 78% (54%)       | 55% (43%)                 | 63% (68%)              | 70% (64%)                | 78% (64%)             | 47% (40%)       | 82% (67%)           | 64% (73%)       | 89% (67%)                     |
| % Age Related - Writing                             | 48% (36%)             | 69% (74%)            | 89% (62%)       | 52% (43%)                 | 63% (64%)              | 70% (61%)                | 62% (59%)             | 44% (45%)       | 86% (67%)           | 68% (69%)       | 68% (70%)                     |
| % Age Related - Maths                               | 63% (57%)             | 79% (81%)            | 100% (75%)      | 59% (39%)                 | 68% (68%)              | 75% (70%)                | 72% (73%)             | 56% (53%)       | 86% (67%)           | 76% (77%)       | 84% (85%)                     |
| KS2 Results   |                       |                      |                 |                           |                        |                          |                       |                 |                     |                 |                               |
| % Age Related - Reading, Writing and Maths combined | 61% (68%)             | 73% (73%)            | 82% (80%)       | 46% (37%)                 | 67% (50%)              | 52% (58%)                | 76% (72%)             | 43% (46%)       | 71% (78%)           | 62% (58%)       | 80% (73%)                     |
| Levels of progress                                  |                       |                      |                 |                           |                        |                          |                       |                 |                     |                 |                               |
| % Age Related - Reading                             | 1.1 (4.5)             | -0.3 (0.7)           | 1.6 (1.3)       | -1.8 (-3.9)               | 2.9 (2.6)              | -2.1 (-3.7)              | 3.7 (5.8)             | 0.0 (-0.6)      | -0.4 (2.1)          | 0.0 (2.0)       | 1.0 (1.9)                     |
| % Age Related - Writing                             | 3.0 (2.3)             | 1.4 (2.1)            | 2.4 (5.3)       | 1.5 (0.6)                 | 5.1 (3.1)              | -0.4 (-0.6)              | 1.6 (4.5)             | 2.8 (3.8)       | 4.4 (4.4)           | 0.7 (6.1)       | 0.2 (2.0)                     |
| % Age Related - Maths                               | 1.6 (3.8)             | 1.9 (1.0)            | 1.9 (2.7)       | +2.0 (0.0)                | 0.9 (1.1)              | -1.0 (-2.0)              | 3.2 (4.7)             | 1.8 (2.9)       | 1.8 (1.8)           | 1.1 (4.3)       | 2.0 (1.6)                     |
| Attendance  |                       |                      |                 |                           |                        |                          |                       |                 |                     |                 |                               |
| Whole School  | 94% (95%)             | 95% (95%)            | 98% (87%)       | 95% (95%)                 | 96% (95%)              | 85% (95%)                | 95% (95%)             | 95% (95%)       | 97% (95%)           | 96% (96%)       | 96% (96%)                     |

**DELTA ACADEMIES TRUST**

**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT  
For the Year Ended 31 August 2019**

**Achievements and Performance (continued)**

**Primaries (continued)**

|   | Mersey Primary Academy | Craven Primary Academy | England Lane Academy | The Parks Academy | Eastcourt Primary Academy | Willoughby Road Primary Academy | Montagu Primary Academy | Morley Place Academy | Greengates Primary Academy | Lower Fields Primary Academy | Southern Primary Academy |
|---|------------------------|------------------------|----------------------|-------------------|---------------------------|---------------------------------|-------------------------|----------------------|----------------------------|------------------------------|--------------------------|
| Date Joined   | 1 Oct 2013             | 1 Nov 2013             | 1 Dec 2013           | 1 Dec 2013        | 1 April 2014              | 1 April 2014                    | 1 April 2018            | 1 April 2018         | 1 Dec 2018                 | 1 Dec 2018                   | 1 Jan 2019               |
| KS1 Results   | 2019 (2018)            | 2019 (2018)            | 2019 (2018)          | 2019 (2018)       | 2019 (2018)               | 2019 (2018)                     | 2019 (2018)             | 2019 (2018)          | 2019                       | 2019                         | 2019                     |
| % Age Related - Reading                             | 68% (71%)              | 70% (74%)              | 62% (60%)            | 57% (67%)         | 71% (74%)                 | 67% (67%)                       | 61% (71%)               | N/A                  | 70%                        | 61%                          | 48%                      |
| % Age Related - Writing                             | 61% (38%)              | 67% (71%)              | 55% (50%)            | 59% (65%)         | 71% (71%)                 | 67% (61%)                       | 57% (66%)               | N/A                  | 66%                        | 54%                          | 32%                      |
| % Age Related - Maths                               | 75% (75%)              | 70% (74%)              | 69% (63%)            | 67% (72%)         | 71% (79%)                 | 73% (63%)                       | 63% (73%)               | N/A                  | 67%                        | 67%                          | 54%                      |
| <b>KS2 Results</b>                                  |                        |                        |                      |                   |                           |                                 |                         |                      |                            |                              |                          |
| % Age Related - Reading, Writing and Maths combined | 69% (65%)              | 60% (75%)              | 55% (71%)            | 63% (71%)         | 86% (78%)                 | 68% (58%)                       | 57% (44%)               | 59% (42%)            | 59%                        | 44%                          | 52%                      |
| <i>Levels of progress</i>                           |                        |                        |                      |                   |                           |                                 |                         |                      |                            |                              |                          |
| % Age Related - Reading                             | -1.1 (-1.9)            | +0.0 (0.5)             | 1.7 (1.7)            | 3.7 (1.4)         | 5.6 (3.5)                 | 1.8 (0.2)                       | -1.2 (1.0)              | -1.5 (-4.1)          | -0.4                       | -0.3                         | -1.5                     |
| % Age Related - Writing                             | 1.3 (1.1)              | 3.8 (0.9)              | 3.9 (1.5)            | 2.2 (1.9)         | 2.6 (3.9)                 | 3.7 (3.1)                       | 2.0 (3.0)               | 0.7 (-0.8)           | 1.9                        | -0.9                         | -1.0                     |
| % Age Related - Maths                               | 2.2 (0.9)              | 4.0 (4.7)              | 4.0 (1.7)            | 1.6 (3.7)         | 5.7 (4.1)                 | 1.3 (3.1)                       | 2.2 (0.0)               | 0.5 (-2.9)           | 2.0                        | 0.7                          | 0.4                      |
| <b>Attendance</b>                                   |                        |                        |                      |                   |                           |                                 |                         |                      |                            |                              |                          |
| Whole School  | 96% (86%)              | 95% (95%)              | 95% (94%)            | 94% (93%)         | 96% (96%)                 | 95% (95%)                       | 95% (94%)               | 96% (95%)            | 96%                        | 95%                          | 93%                      |

**DELTA ACADEMIES TRUST**

**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT  
For the Year Ended 31 August 2019**

**Achievements and Performance (continued)**

**Secondaries**

|  | Garforth Academy          | Rossington All Saints Academy | Ash Hill Academy           | Don Valley Academy         | Serby Park Academy (Secondary) | John Whitgift Academy      | The Vale Academy           | De Waranne Academy        |
|--|---------------------------|-------------------------------|----------------------------|----------------------------|--------------------------------|----------------------------|----------------------------|---------------------------|
| Date Joined                            | 1 Nov 2010<br>2019 (2018) | 26 Apr 2011<br>2019 (2018)    | 1 Sept 2011<br>2019 (2018) | 1 Sept 2011<br>2019 (2018) | 1 Sept 2011<br>2019 (2018)     | 1 Sept 2011<br>2019 (2018) | 1 Sept 2011<br>2019 (2018) | 1 Dec 2011<br>2019 (2018) |
| <b>GCSE Results</b>                    |                           |                               |                            |                            |                                |                            |                            |                           |
| Basics – English and Maths 4+ (A+ - C) | 75%(79%)                  | 71%(67%)                      | 58%(53%)                   | 64%(63%)                   | 70%(67%)                       | 66%(64%)                   | 73%(82%)                   | 61%(50%)                  |
| Progress 8                             | 0.50 (0.48)               | 0.58 (0.41)                   | -0.10(-0.11)               | -0.09 (-0.33)              | 0.39 (0.22)                    | 0.67 (0.81)                | 0.35 (0.61)                | 0.28 (0.07)               |
| Progress English                       | 1.01 (0.76)               | 0.79 (0.26)                   | -0.10 (-0.11)              | 0.07 (-0.48)               | 0.43 (0.49)                    | 0.36 (0.49)                | 0.15 (0.50)                | 0.41 (0.09)               |
| Progress Maths                         | 0.44 (0.57)               | 0.45 (0.31)                   | -0.27 (-0.06)              | -0.16 (0.01)               | 0.63 (0.18)                    | 0.94 (0.98)                | 0.39 (0.67)                | -0.08 (-0.02)             |
| <b>A2 Results</b>                      |                           |                               |                            |                            |                                |                            |                            |                           |
| Progress                               | 0.08 (0.15)               | -1.16 (-1.17)                 | N/A                        | -0.98 (-0.74)              | N/A (-0.99)                    | N/A                        | -0.06 (0.01)               | -1.35 (-0.85)             |
| % Average grade                        | C+ (C+)                   | D (D)                         | N/A                        | D (D+)                     | N/A (D)                        | N/A                        | C+ (C+)                    | D- (D-)                   |
| Academic APS per entry                 | 34.88 (31.70)             | 20.87 (19.31)                 | N/A                        | 21.23 (22.95)              | N/A (18.92)                    | N/A                        | 35.12 (32.16)              | 17.5 (15.2)               |
| <b>Attendance</b>                      |                           |                               |                            |                            |                                |                            |                            |                           |
| Whole school                           | 96%(96%)                  | 94%(93%)                      | 93%(92%)                   | 93%(93%)                   | 95%(95%)                       | 95%(95%)                   | 95%(95%)                   | 94%(94%)                  |



**DELTA ACADEMIES TRUST**

**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT  
For the Year Ended 31 August 2019**

**Achievements and Performance (continued)**

**Secondaries (continued)**

|   | De Lacy Academy<br>1 Apr 2012<br>2019 (2018) | Hull Trinity House Academy<br>1 Apr 2012<br>2019 (2018) | Mellor Community Academy<br>1 Jan 2013<br>2019 (2018) | Manor Croft Academy<br>1 Sept 2013<br>2019 (2018) | Ingleby Manor Free school<br>1 Sept 2014<br>2019 | Goole Academy<br>1 April 2018<br>2019 (2018) | Dartton Academy<br>1 Oct 2018<br>2019 | The Laurel Academy<br>1 Nov 2018<br>2019 |
|---|--|---|---|---|--|--|---------------------------------------|--|
| <b>GCSE Results</b>                     |  |   |   |   |  |  |                                       |  |
| Basics – English and Maths 4 + (A* - C) | 74%(65%)                                     | 80%(84%)  | 50%(62%)  | 77%(83%)  | 72%  | 61% (51%)                                    | 72%                                   | 51%                                      |
| Progress 8                              | 0.28 (0.55)                                  | 0.42 (0.42)   | 0.15 (0.44)   | 0.67 (0.79)                                       | -0.23  | 0.37 (-0.14)                                 | 0.39 (-0.46)                          | -0.31 (-0.81)                            |
| Progress English                        | 0.84 (0.56)                                  | 0.61 (0.43)   | 0.16 (0.53)   | 0.69 (1.09)                                       | 0.55   | 0.63 (-0.28)                                 | 0.88 (-0.34)                          | 0.41 (-0.52)                             |
| Progress Maths                          | -0.28 (0.20)                                 | 0.50 (0.54)   | 0.23 (0.63)   | 0.84 (1.03)                                       | 0.07   | 0.01 (-0.25)                                 | 0.51 (-0.37)                          | -0.16 (-0.45)                            |
| <b>A2 Results</b>                       |  |   |   |   |  |  |                                       |  |
| % A* - B Passes                         | N/A  | N/A   | N/A   | N/A   | N/A  | N/A  | N/A                                   | N/A                                      |
| % A* - E Passes                         | N/A  | N/A   | N/A   | N/A   | N/A  | N/A  | N/A                                   | N/A                                      |
| Academic APS per entry                  | N/A  | N/A   | N/A   | N/A   | N/A  | N/A  | N/A                                   | N/A                                      |
| <b>Attendance</b>                       |  |   |   |   |  |  |                                       |  |
| Whole School                            | 94%(95%)                                     | 95%(95%)  | 93%(93%)  | 94%(94%)  | 94%  | 94%(93%)                                     | 96%                                   | 91%                                      |

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### **Notable Achievements**

Delta Academies Trust continues to make a significant contribution towards the recruitment and training of new entrants into the profession. In addition, the Trust continues to support the professional development of teachers and leaders and is committed to collaborating with other professionals and organisations.

#### ***School Direct 2018 - 2019***

28 trainees successfully completed the School Direct programme with the Trust (2017/18 – 27).

Across the secondary programme 60% of the cohort achieved an overall Initial Teacher Training (ITT) Grade 1 (Outstanding), 40% achieved Grade 2 (Good).

The Primary Programme saw 77% of the trainees achieve a Grade 1, 15% achieve a Grade 2 and 8% achieve a Grade 3.

Following completion of the School Direct Training Programme 46% of all trainees secured permanent positions within Delta Academies Trust, with a further 29% securing posts with other educational establishments. Of the trainees that secured NQT posts Appointments to the Trust were as follows; 7 of the 10 (70%) were primary trained and 6 from 11 (55%) were secondary trained.

#### ***School Direct 2019-2020***

The School Direct programme saw the recruitment of a further 46 salaried and unsalaried trainee teachers who were appointed during the year and commenced their training contracts on 1<sup>st</sup> September 2019. This is a significant increase on previous years.

#### ***Teaching Schools Alliances***

Delta Academies Trust retains two Teaching School Alliances (TSAs), Rowena Academy and Garforth Academy. Vale Primary Academy was de-designated in February 2019.

Through our Teaching School Alliances, we now have 65 Specialist Leaders of Education (SLE), 11 Local Leaders of Education (LLE), 4 National Leaders of Education (NLE) and we have 2 National Leaders of Governance (NLG).

All leaders identified above are fully deployed across the Trust's group of academies to increase capacity around school improvement support.

Through the Teaching School Alliance School Improvement Programme, we applied for funding to support teacher subject specialism training in maths and physics. We were successful in this bid and were allocated £55,000 for 2018-19 to train teachers in maths aimed at KS3 Mastery and teachers in physics KS4. For 2018-19 we had 11 teachers complete the Maths training with a further 7 teachers being trained where costs were covered by the Trust. A further 15 staff completed the Physics Training programme. Further funding of £1,200 per teacher for 28 teachers has been secured for 2019 - 20; however funding will be received based on actual numbers that complete the training and who are eligible.

#### ***NQT Accreditation***

Delta Academies Trust has Appropriate Body Status for Newly Qualified Teachers (NQT) accreditation. From 1 September 2018 we had 107 Newly Qualified Teachers (NQT's), of which 64 (60%) successfully completed their NQT year, 27 successfully completed either 1 or 2 terms whilst employed with the Trust prior to employment outside the Trust, 16 will continue their induction year with Delta in 2019/20.

The Trust currently has 107 NQTs registered for 2019/20 (including those continuing from 2018/19).

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### **Achievements (continued)**

##### ***Leadership Development Programme***

The Trust recognises the need to develop leaders from within its academies and the Teaching School Alliance has continued to work in close partnership with Ambition Institute (formerly Ambition School Leadership) with regard to the delivery of Leadership Programmes and National Professional Qualifications. 17 employees registered with Ambition across 3 Leadership Programmes (Teaching Leaders, Future Leaders and Executive Educators). For the Trust-led NPQH (National Professional Qualification Headship), 16 employees have successfully completed Year 1 and will continue into Year 2.

For the Trust – Led NPQSL, 24 employees have submitted successful applications and have now taken up places for the 2019/20 programme. Recruitment is currently in place for NPQML.

During the academic year a further 12 employees have also successfully completed NPQ Facilitator Training with Ambition Institute, bringing the Trust total to 16 overall.

##### ***Capital Projects***

Under the Priority Schools Building Project (Phase 2) the Trust has been working with the DfE on the refurbishment/new builds at 3 of our academies;

- England Lane Academy – the new build commenced in November 2018 and was due to be completed in September 2019, due to delays this build will now be completed in January 2020.
- De Lacy Academy - two block new build started in November 2018, with work to be completed by August 2019. Again, due to delays this will now complete in January 2020.
- Ash Hill Academy – this project started on 14<sup>th</sup> October 2019 with a planned completion date of February 2021.

School Condition Allocation (SCA) relating to the period to 31 March 2019 was received of £2,432,532. In addition to the SCA the Trust also received £212,591 of Healthy Pupils Capital Fund. Further funding has been announced from 1 April 2020 but funding allocations have not been received yet.

A number of capital projects were also paid for from reserves held by individual academies.

The major projects that completed during the period 1 September 2018 to 31 August 2019 included the following:

- Ash Hill Academy – Variation to PSBP £166,879
- Crookesbroom Primary Academy – Roofing £101,907 and Cladding £63,591;
- Darton Academy – Classroom refurbishment £67,039;
- De Lacy Academy – Refurbishment Blocks £867,430;
- De Warrene Academy – Refurbishment changing rooms £87,440;
- Don Valley Academy – Heating £63,810 Fencing £31,320;
- East Garforth Primary Academy – Toilet Refurbishment £65,000, Boiler £55,000;
- Garforth Academy – Heating and Plumbing £78,971, Boiler £59,950, Fire Alarm £17,909;
- Goole Academy – Remodelling classrooms £47,550;
- Grange Lane Infant Academy – Classroom Refurbishment £38,688;
- Green Lane Primary Academy – Roofing £389,415;
- Hatfield Woodhouse Primary Academy – Roofing £43,839;
- Hull Trinity House Academy – Fire Doors £26,500, Kitchen Refurbishment £151,854;
- John Whitgift Academy – Boiler replacement £95,350 and pupil toilet refurbishment £94,952;
- Kingston Park Academy – Boiler £32,760;
- Macaulay Primary Academy – Roofing £17,645 and Classroom Refurbishment £82,158 ;

**DELTA ACADEMIES TRUST**  
**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT**  
**For the Year Ended 31 August 2019**

**Achievements (continued)**

***Capital Projects***

- Montagu Academy – Refurbishment £108,932;
- Morley Place Academy – Refurbishment £431,849 Fire Doors £21,135;
- Park View Primary Academy – Roofing £38,347 and quad in fill to create additional classroom £132,971;
- Simpson's Lane Primary Academy – Roof and asbestos £181,843;
- Strand Primary Academy – Repointing and windows £160,003;
- St Wilfrid's Academy – Reception area £45,816;
- The Grove Academy – Roofing and Cladding £33,285;
- The Parks Academy – Lighting £34,707;
- Vale Primary Academy – Roof £106,609, Refurbishment £64,139, Immersive room £41,110;
- Weelsby Academy – Heating £24,662, New entrance £32,125;

The Trust has a capital loan outstanding with the DfE for works undertaken at Garforth Academy for boilers, roofing, rewiring and energy efficient lighting. This was part of the DfE Multi Academy Trust Pilot Loan Scheme Programme in 2016/17. The loans amounted to £780,000 and £220,000 and are repayable over the next 10 years. The repayments commenced in May 2018. Interest is charged but at a rate 1.91%. The amount outstanding at 31 August 2019 amounted to £800,000.

**Going concern**

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Delta Academies Trust to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Delta Academies Trust made an overall surplus of £19,981k in the year, surplus on Restricted Fixed Asset Fund £19,957k and on Restricted and Unrestricted Funds of £24k. Net current assets, after the pension scheme liability were £167,479k at the year-end. The Trust had net current assets of £238,602k before the pension scheme liability and had cash balances of £35,440k at the year-end. Unrestricted and Restricted funds carried forward at 31 August 2019 amounted to £25,469k (excluding the Restricted Fixed Asset Fund and the pension liability). As such, the Board of Directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the near future and therefore the financial statements have been prepared on a going concern basis.

**Finance Review**

**Financial objectives**

Delta Academies Trust's financial objectives were:

- to achieve an annual operating surplus
- to pursue alternative sources of funding, on a selective basis, consistent with each academy's core competencies, and the need for a financial contribution to each academy's overall finances
- to generate sufficient levels of income to support the asset base of each academy
- to ensure all academies can meet their operational expenditure
- to continue to fund capital investment to improve pupil and student experience.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Financial Report for the Year

The expectation of the Trust is that all academies produce in-year balanced budgets and the Reserves policy has been amended to reflect this. The Trust is seeing a rise in pupil numbers at a number of its secondary academies, which will help to secure the financial sustainability of the Trust. However although 3 of the academies seeing significant pupil growth are to be funded on actuals from 2018/19 to 2020/21, the Trust will need to fund approximately £2m for additional places in 2019/20 where funding will not be received until the following academic year.

Delta Academies Trust at 31 August 2019 had an in year surplus of £19,981k. Unrestricted and Restricted funds carried forward at 31 August 2019 amounted to £25,469k (excluding the Restricted Fixed Asset Fund and the pension liability) which is an increase on these reserves by £5,727k on 2017/18. Restricted General funds of £3,541k were transferred to Restricted Fixed Asset Fund for capital investment during the academic year.

Most of the academies income is from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. Donated assets of £23,225k are shown within note 2 to the accounts. These relate to assets that transferred from schools/academies that converted or transferred to the Trust during the year. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2019, total expenditure of £136,308k (2018: £119,708k) was covered by the recurrent grant funding from the ESFA together with other incoming resources, including donated assets. The excess of expenditure over income for the year excluding Restricted Fixed Asset Funds was a surplus of £24K (2018: Deficit £3,925k). The small surplus includes pension service costs of £5,703K (2018: £3,594k) and therefore would have been a surplus of £5,727k (2018: deficit £331k) if these were excluded. Transfers from Revenue funds to Fixed asset funds amounted to £3,541k.

At 31 August 2019 the net book value of fixed assets was £232,333k (2018: £191,897k) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academies.

Under Accounting Standard FRS102, it is necessary to charge projected deficits or surpluses on the Local Government Pension Scheme, which are provided for support staff, to the restricted fund. This resulted in the pension fund showing a deficit of £71,123k (2018: £33,125k). The net effect of the transfer in and out of academies increased the deficit by £6,188k. The pension fund deficit has therefore seen an increase of 115% on 2018.

#### **Reserves policy**

Delta Academies Trust has established a reserves policy to protect its activities and to make sufficient provision for future cash flow requirements and capital procurement. This policy is reviewed annually and encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The policy also provides the framework for future strategic planning and decision-making. The development of an effective reserves policy will help to mitigate the impact of any risk upon the continuing operations of the Trust.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Finance Review (continued)

##### *Reserves policy (continued)*

The reserves policy is based upon an annual risk assessment of the internal and external operating environment, as well as having a due regard for the nature of activities under taken by the Trust for its beneficiaries.

The Trust has an expectation that the cumulative target range for Unrestricted/Restricted General Reserve is at least 12% of total income. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

##### *Unrestricted Reserves*

The Unrestricted Fund is derived from either the Trust or the academy's activities for generating funds, investment income and other donations and can be spent at the discretion of the directors and/or the individual academy, in furtherance of Delta Academies Trust's objectives.

##### *Restricted Reserves*

The Restricted Fund is represented by the main income for the academy which is the General Annual Grant (GAG), other grant contributions or donations that are received for a specific project or purpose.

##### *Restricted Fixed Asset Reserve*

The Restricted Fixed Asset Fund is specifically held for capital purposes and equates to the Net Book Value of the assets held by the Trust, plus any unspent Capital grants that have been accounted for in year less amounts outstanding on finance leases in respect of the PFI contracts at Darton Academy, Manor Croft Academy and The Laurel Academy.

##### *Pension Reserve*

The pension surplus or deficit does not constitute an immediate liability or realisable asset and does not mean that the equivalent amount is already committed or no longer available to the Trust.

The presence of a pension surplus or deficit will generally result in a cash flow effect for Delta Academies Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust is confident that it can meet the required pension contributions from projected future income without significantly impacting upon its planned level of activities, however challenging this may be.

Delta Academies Trust continues to calculate its reserves without setting aside a Designated Reserve to cover the pension liability.

##### *Management of Reserves*

Where possible unrestricted funds carried forward should meet the 12% target set, however Restricted GAG funding can also be carried forward towards this. The impact of the Pension Deficit or surplus is excluded from these calculations.

Reserves held in excess of the target percentages for Unrestricted Reserves and Restricted General Reserves will be reviewed by the Trust on a regular basis and an appropriate range of options will be considered. This may include releasing the funds into the revenue budget in furtherance of the Trust's objectives, assigning funds to appropriate designated reserves for specific projects such as capital spend, supporting pupil growth and other projects as may be determined and approved by the Trust, or investing the funds to generate further income to allow expansion of the Trust's work.

## DELTA ACADEMIES TRUST

### REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019

#### Finance Review (continued)

#### *Reserves policy (continued)*

#### *Management of Reserves (continued)*

In May 2018, the Trust amended its Reserves Policy to include an expectation of cumulative reserves carried forward and in year surpluses. The Trust is aware that some academies may have to work towards this target of 12% cumulative reserves and plan for appropriate in year surpluses in order to meet this level. The Trust must ensure that small variations in income and expenditure in year do not adversely affect the cumulative reserves of each academy – the Trust has therefore set an expectation that an in year surplus is expected of at least 3% of total GAG income.

This policy allows the Trust to use its Reserves carried forward over the 12% against Delta approved projects, including capital projects and supporting the growth in pupil numbers in some academies. Reserves over the 12% will be held by the Trust and used in accordance with this policy.

As at 1<sup>st</sup> September 2019 the reserves policy has been amended so that academies continue to hold up to 12% of reserves but to a maximum of £200k.

The directors have determined that the appropriate level of reserves based on the above policy should be at least £15,471k (2018: £13,051k). The Trust's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £11,039k (2018: £9,479k).

#### *Financial position*

Delta Academies Trust held fund balances at 31 August 2019 of £167,479k (2018: £179,793k) comprising £213,133k (2018: £193,176k) of restricted fixed asset funds, £14,430k (2018: £10,263k) of other restricted funds and £11,039k (2018: £9,479k) of unrestricted general funds and a pension reserve deficit of £71,123k (2018: £33,125k).

#### *Investment Policy*

The Trust's current investment policy is to maximise income but from a low risk strategy. All monies are currently held on bank deposit and are attracting interest on a quarterly basis. Any funds held on fixed term deposits are to maximise any interest receivable. All funds can still be immediately accessed if needed.

#### *Principal Risks and Uncertainties*

Delta Academies Trust has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Trust's assets and reputation.

Delta Academies Trust have also appointed RSM to assist with a review of systems, controls and other areas. Over this financial year RSM have reviewed and reported to the BoD on the following areas:

- Financial Controls
- General Data Protection Regulations
- Governance
- Health and Safety - Accidents
- Recruitment and Induction

RSM also carry out a follow up Audit and report to the BoD as to whether previous recommendations have been implemented.

The work undertaken provides independent assurance to the Audit and Risk Committee and the Accounting Officer that controls have been adequately designed and complied with.

**DELTA ACADEMIES TRUST**  
**REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT**  
**For the Year Ended 31 August 2019**

**Principal Risks and Uncertainties (continued)**

Delta Academies Trust's Core Team (CT) undertake a comprehensive review of the risks to which both the Trust and each academy are exposed. They identify systems and procedures, including specific preventable actions, which should mitigate any potential impact on the organisation. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. The CT also consider any risks which may arise as a result of any new area of work being undertaken by an Academy.

In addition to the above the CT meet on a regular basis with the Principals of each academy at Secondary and Primary Network meetings. ELT together with Educational Subject Directors are present to ensure quality assurance of information provided and ensure all risks are identified. This forms the basis of a risk register, which is then reviewed and updated at follow up meetings to ensure where possible all risks are mitigated.

Outlined below is a description of the principal risk factors that may affect each academy. Not all the factors are within each academy's control. Other factors besides those listed below may also adversely affect each of them.

**1. Government funding**

The Trust has considerable reliance on continued government funding through the ESFA. In 2018/19 98% (2017/18: 96%) of the Trust's revenue was ultimately publicly funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms and with rising staff costs sustainability will become more difficult.

This risk is mitigated in a number of ways:

- By ensuring each Academy is rigorous in delivering high quality education and training and thereby maintaining/increasing student numbers;
- By ensuring appropriate Curriculum Led Financial Plans are in place and reviewed and updated for each academy. Financial sustainability relies heavily on having an appropriate curriculum in place that meets the needs of the students but is also staffed at appropriate levels which are affordable.
- Considerable focus and investment is placed on maintaining and managing key relationships with the ESFA.

**2. Teacher Recruitment and Retention**

The Trust finds it difficult to recruit in certain regions and within some subjects. We have whole Trust CPD and development programmes to ensure we can promote from within and retain staff, thus where possible mitigating this risk. The Trust does have a low staff turnover compared to national rates.

**3. Maintain adequate funding of pension liabilities**

The financial statements report the cumulative share of the LGPS pension scheme deficit on the Trust's balance sheet in line with the requirements of FRS102. Triennial valuations and new employer's pension contributions rates will be issued and in place from 1<sup>st</sup> April 2020. We are still waiting confirmation of these new rates, which could increase given ongoing deficits.

Teachers' pension rates increased from 16.48 % to 23.68% effective September 2019. The increase is funded until 31 August 2020 in part by the ESFA, but there is no detail yet on whether additional funding will continue past this date.



## **DELTA ACADEMIES TRUST**

### **REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT For the Year Ended 31 August 2019**

#### **Plans for Future Periods**

Delta Academies Trust will continue to focus on educational improvements in attainment and progress for every pupil and student with the aim to provide the highest quality provision. While we must ensure the highest levels of teaching and performance in our academies we must remember that education is also about the widening of opportunity of experience for all our students, especially the most vulnerable and challenging.

Capital funding of £1.2m has been set aside to develop Dallowgill Outdoor Education Centre in North Yorkshire, this will provide opportunities for pupils and students to benefit from bespoke nurture, outdoor education and inclusion and the facility will support enrichment across several areas of the curriculum.

We continue to prioritise and work towards ensuring all our academies achieve 'Outstanding' status and provide an educational environment where all pupils can succeed. CPD and training of our staff is imperative in delivering excellence and we will be submitting an application to become accredited as a SCITT. Through the newly created 'Education Exchange', we are looking to extend and embed the Professional Development offer including NPQs and develop further apprenticeships and educational technology across the Trust and its academies. We will also be looking to extend our offer to the wider locality and ensure that others can benefit from the systems, structures and leadership, which have underpinned our continuing success. The Trust is looking to extend its current training facilities by investing in a capital build project of approximately £2m.

Delta Academies Trust continues to work collaboratively as part of the Northern Alliance, a group of Multi Academy Trusts that are working together to improve the education provision within the North of England.

#### **Basis of Preparation of Financial Statements and Accounting Policies and Practices**

The financial statements have been prepared in accordance with the accounting policies set out on pages 50 to 55 and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of the Charities SORP (FRS 102).

So far as the Accounting Officer and Directors are aware, Delta Academies Trust has disclosed all relevant information to the financial statement auditors. The Accounting Officer believes he has taken all the steps that he ought to make himself aware of any information relevant to the audit and to establish that the financial statement auditors are aware of that information.

#### **Auditors**

The auditors, KPMG UK are willing to continue in office, a resolution to re-appoint them will be proposed at the annual general meeting.

The Report of the Directors and the Strategic Report, (included therein) was approved by the Board of Directors on 18 December 2019 and signed on their behalf by:

**Steven Hodsman**

**Chair of the Board of Directors**

**DELTA ACADEMIES TRUST**  
**GOVERNANCE STATEMENT**  
**For the Year Ended 31 August 2019**

**Scope of responsibility**

As directors, we acknowledge we have overall responsibility for ensuring that Delta Academies 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 Directors have delegated the day-to-day responsibility to the Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Delta Academies Trust and the Secretary of State for Education. He is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance here supplements that described within the Directors Report and in the Statement of Directors Responsibilities. The Directors have formally met 7 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

| <b>Director</b>                             | <b>Meetings attended</b> | <b>Out of a possible</b> |
|---|--------------------------|--------------------------|
| Steven Hodsman ^ (Chair)                    | 7                        | 7                        |
| Lesley Bailey ^                             | 5                        | 7                        |
| Sean Cavan                                  | 6                        | 7                        |
| David Haigh ^                               | 7                        | 7                        |
| Christopher Lomas                           | 5                        | 7                        |
| Emanuela Sani<br>(resigned 11 January 2019) | 2                        | 3                        |
| Paul Tarn                                   | 6                        | 7                        |
| David White                                 | 6                        | 7                        |

^Remuneration committee members

During the year one Non- Executive Director resigned in January 2019. The Trust was actively looking to recruit a replacement and appointed a Non-Executive Director in September 2019.

The directors have started a self-evaluation, which will be completed in 2019/20. A training needs analysis has also been completed following a skills audit in 2018/19. This process helps identify the skills required when appointing new Non-Executive Directors.

The Directors also participate in activities across the Trust including academy visits, dealing with appeals and complaints in line with our policies. One Director is the Safeguarding Lead and another Director has been appointed as the Data Protection and Information Security Lead.

Two of our Non-Executive Directors are National Leaders for Governance and support the ongoing development of the local Academy Advisory Bodies (AAB).

**DELTA ACADEMIES TRUST**  
**GOVERNANCE STATEMENT**  
**For the Year Ended 31 August 2019**

**(continued)**

A corporate risk register is in place and has been reviewed and discussed at the Audit and Risk Committee. The risk register includes weightings to assess both likelihood and impact of risk plus comments in relation to the direction of travel and what has been actioned since the last report. These features allow the Board of Directors a better understanding of the risks the Trust faces, who is responsible for taking the required actions and what can be done to mitigate those risks where possible.

The Risk Reports covering Education and Finance Risks are produced centrally for each Academy and feed into the overall assessment of the operational risks to be managed by Delta Academies Trust.

The Finance and Capital Committee expanded its remit during the year to incorporate reports on HR and is now referred to as the Finance, Capital and Resources Committee. This committee assists the Board in its ongoing oversight of the Trust's arrangements for budgeting, financial planning, financial performance and financial reporting in respect of both revenue and capital activities. This enables more detailed consideration to be given to financial aspects of the Trust and allows the Directors to fulfil their responsibilities to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. In addition, the Committee now receive reports covering whole Trust data on absence, capability, disciplinary, restructures and settlements.

The Finance and Capital Committee reviewed detailed budgets, 3 year forecasts, management accounts (including variance analysis), the budget summary for all academies identifying any risks with regard to sustainability and ensuring plans are in place to ensure academies do not go into deficit. This committee also has an overview of the planned capital expenditure ensuring funds are appropriately targeted to maintain the Trust's assets in a good condition and address risks around health and safety and compliance.

The Audit and Risk Committee assesses the scope and effectiveness of the systems established by management to identify, manage and monitor financial and non-financial risks to the company. It maintains an oversight of the Trust's governance, internal control, financial reporting and value for money frameworks in order to establish levels of compliance throughout the company. The Audit and Risk Committee have reviewed both the Corporate Risk Register and Audit Risk Tracker. The terms and reference were updated to include Data Protection and the Trust Data Protection Officer reports to the committee on breaches and action taken, learning opportunities and subject access requests.

The committee also receive Internal Audit reports from RSM and track the recommendations to ensure implementation in a timely manner. In 2018/19, these reports covered the following areas:

- Financial Controls
- General Data Protection Regulations
- Governance
- Health and Safety - Accidents
- Recruitment and Induction

RSM also carry out a follow up Audit and report whether previous recommendations have been implemented.

**DELTA ACADEMIES TRUST**  
**GOVERNANCE STATEMENT**  
**For the Year Ended 31 August 2019**

(continued)

Membership and attendance of each sub- committees during the year were as follows:

**Finance and Capital Committee**

| <b>Director</b>       | <b>Meetings attended</b> | <b>Out of a possible</b> |
|-----------------------|--------------------------|--------------------------|
| Lesley Bailey (Chair) | 5                        | 5                        |
| Steven Hodsman        | 5                        | 5                        |
| Christopher Lomas     | 5                        | 5                        |

**Audit and Risk Committee**

| <b>Director</b>    | <b>Meetings attended</b> | <b>Out of a possible</b> |
|--------------------|--------------------------|--------------------------|
| Sean Cavan (Chair) | 3                        | 3                        |
| David White        | 3                        | 3                        |
| David Haigh        | 3                        | 3                        |

In November 2018, the Board of Directors agreed that two sub-committees would be formed, the Education Standards and Education Inclusion. The new sub-committees have a sharp focus on academies operating outside agreed parameters, with a focus on risk and actions taken.

**Education Standards Committee**

| <b>Director</b>        | <b>Meetings attended</b> | <b>Out of a possible</b> |
|------------------------|--------------------------|--------------------------|
| Steven Hodsman (Chair) | 2                        | 2                        |
| Sean Cavan             | 1                        | 2                        |
| David Haigh            | 1                        | 2                        |

**Education Inclusion Committee**

| <b>Director</b>     | <b>Meetings attended</b> | <b>Out of a possible</b> |
|---------------------|--------------------------|--------------------------|
| David White (Chair) | 2                        | 2                        |
| Lesley Bailey       | 2                        | 2                        |

The CEO attended the above committees by invitation.

A Remuneration Committee met twice during the year in December 2018 and July 2019, 3 Directors attended the December meeting and 2 at the July meeting. This committee approves performance awards allocated to CEO, Executive Leadership Team, Senior Leaders within the CT earning over £60,000, Executive Principals, Principals, Heads of Academy and other academy staff earning over £60,000.

**DELTA ACADEMIES TRUST**  
**GOVERNANCE STATEMENT**  
**For the Year Ended 31 August 2019**

(continued)

**Review of Value for Money**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, both centrally at the Trust in the work of the CT which supports and monitors the work of the academies and at each of the academies. The Accounting Officer reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by utilising the Delta Academies Trust Core Team (CT) to provide support in Academy Improvement and various business support services including: Finance, HR, Payroll, Recruitment, ICT, Governance, Data Protection, Professional Development Programmes and Facilities (including Capital Development and Health and Safety).

The Academy Improvement Team leads on the raising of educational attainment and standards and include subject specific Directors in Maths, English, Science, Humanities, Modern Foreign Languages, Director of Inclusion, Director of Post 16 and Directors of Primary Learning. It takes local context into account, but will endeavour to deliver a consistent recognisable strategy in all academies. This approach challenges and supports the local Senior Leadership Team in each academy and sets the methodology for improving student attainment and progress. All other core services provided by the Trust allow the Principals and Heads of Academy at its academies to concentrate and focus on delivering excellent teaching and learning, while the Trust undertake functions centrally on their behalf.

Individual value for money statements have been prepared by each Principal/Head of Academy at our academies and returned to the Trust. These statements, together with activities undertaken centrally, underpin the review of value for money and include examples of good practice and collaboration as detailed below:

- Further appointments were made in the year to strengthen the subject specific directors and primary directors deployed across the academies. The impact has been clear in the significant improvements in educational achievement and standards.
- We have continued to develop the use of the Executive Principal and Associate Executive Principal model across the group to provide effective and cost effective support across groups of primary and secondary academies.
- The deployment of SLE cohort across the Trust's group of academies to increase capacity around school improvement support.
- Recruitment to shared posts across a number of academies and the secondment of staff.
- Embedded Curriculum Led Financial Planning to ensure a curriculum that is fit for purpose and enables academies to have the appropriate staffing structures in place that are also financially sustainable.
- Continued review of the curriculum models to ensure that Progress 8 outcomes are maximised.
- Centralised Continual Professional Development, which can be accessed by academies. This provides a cost effective approach to training and targets specific support and the sharing of best practice.

**DELTA ACADEMIES TRUST**  
**GOVERNANCE STATEMENT**  
**For the Year Ended 31 August 2019**

(continued)

**Review of Value for Money (continued)**

- We use centralised procurement in certain areas to achieve value for money. These include framework contracts for ICT, capital works and maintenance procurement to minimise the administrative burden and maximise the financial benefit for individual academies. We also use specialist subcontractors, wherever possible, in single trade packages to eliminate the need for a main contractor's involvement and overheads and have grouped projects which have a similar scope together, such as for windows, roofs, kitchens and boilers. The Trust also procures centrally on behalf of all its academies legal services, Disclosure and Barring Service checks, insurance and energy, communication technology, both mobile and land lines, and some Educational Resources, such as books and online resources and software licences; this secures economies of scale and discounted prices and allows Delta Academies Trust to compare centrally the costs against other suppliers. All External and Internal Audit is procured centrally and managed centrally by Delta Academies Trust, which reduces the burden on the individual Principals/Heads of Academy and staff working within each academy.
- Under GDPR we have supported academies with the purchase of a system and central team to monitor compliance and provide training. This enables the Trust to support academies and reduce costs that may have been incurred by individual academies.
- The CT have also supported academies in the change of contracts and procurement of catering, cleaning, printing, and school uniforms in 2018/19.

**Capacity to Handle Risk**

The Board of Directors have 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. They are of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that have been in place for the year ending 31 August 2019 and up to the date of approval of the annual report and financial statements. The process is reviewed annually.

**The Risk and Control Framework**

Delta Academies Trust 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 each academy and centrally undertaking:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports. Central budgets, together with summaries of each academy's budgets are reviewed and agreed by the Board of Directors and individual academy budgets are also presented by CT and reviewed and adopted at local Academy Advisory Body meetings;
- regular reviews by the Board of Directors and for individual academies, by their Finance Committee, of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks at regular meetings of CT and academy principals.

**DELTA ACADEMIES TRUST**  
**GOVERNANCE STATEMENT**  
**For the Year Ended 31 August 2019**

(continued)

The Board of Directors considered the need for a specific internal audit function and appointed RSM UK Risk Advisory Services LLP to assist with a review of financial systems, controls and other areas of concern. RSM report to the Audit and Risk Committee their findings on the operation of the systems of control and on the discharge of the director's financial responsibilities, these reports are also presented in summary at Local Academy Advisory Body meetings.

The Trust employs a Chief Compliance Officer (CCO) who monitors and reviews Trust compliance with the relevant legislation and guidelines from the DfE/ESFA. The CCO also ensures the implementation of recommendations made by the Internal Auditors and reports accordingly to the Audit and Risk Committee.

**Review of effectiveness**

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by:

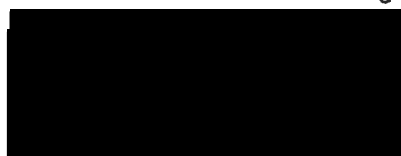
- the work of the internal auditors;
- the work of the external auditors;
- the financial management and governance assessment process; and
- the work of the Executive Leaders within Delta Academies Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved on behalf of the directors of Delta Academies Trust on 18 December 2019 and signed on its behalf by:



**Steven Hodzman**  
**Chair of the Board of Directors**



**Paul Tam**  
**Accounting Officer**

**DELTA ACADEMIES TRUST**  
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**For the Year Ended 31 August 2019**

As Accounting Officer of Delta Academies Trust, I have considered my responsibility to notify the Trust Board of Directors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Financial Handbook.

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

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



**Raul Tarn**  
**Accounting Officer**

18 December 2019



## **DELTA ACADEMIES TRUST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE REPORT OF THE DIRECTORS AND THE STRATEGIC REPORT AND THE FINANCIAL STATEMENTS For the Year Ended 31 August 2019**

The trustees (who are the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations, including the Annual Accounts Direction published by the Education and Skills Funding Agency (ESFA).

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Academies Accounts Direction further requires the financial statements to be prepared in accordance with the Charities SORP (FRS 102).

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 the charitable company's 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 2018 to 2019;
- make judgements and 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;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/Department for Education 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 UK 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 Directors on 18 December 2019 and signed on its behalf by:

**Steven Hodsman**  
**Chair of the Board of Directors**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DELTA ACADEMIES TRUST

YEAR ENDED 31 AUGUST 2019

### Opinion

We have audited the financial statements of Delta Academies Trust ("the charitable company") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and related notes, including the accounting policies in note 1.

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 2019, and of the charitable company's incoming resources and application of resources, including the charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP (FRS 102) and the *Academies Accounts Direction 2018 to 2019* 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Trust's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Trust's and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Trust and this is particularly the case in relation to Brexit.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the charitable company's business model, including the impact of Brexit, and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DELTA ACADEMIES TRUST**

**YEAR ENDED 31 AUGUST 2019**

**(continued)**

absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

**Other information**

The trustees are responsible for the other information, which comprises the Reference and

Administrative Details, the Report of the Directors and Strategic Report and Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Report of the Directors and Strategic Report, which constitutes the Strategic Report and the Directors' Report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

We have nothing to report in these respects.

**Trustees' responsibilities**

As explained more fully in their statement set out on page 41, the trustees (who are 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

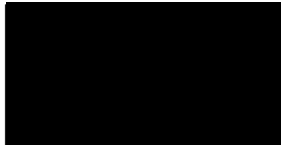
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DELTA ACADEMIES TRUST**

**YEAR ENDED 31 AUGUST 2019**

**(continued)**

**The purpose of our audit work and to whom we owe our responsibilities**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Clare Partridge (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

18 December 2019

## **DELTA ACADEMIES TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DELTA ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 18 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of the Academy Trust's funding agreement with the Secretary of State for Education dated 22 August 2014 and 28 September 2018 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion included:

- Documenting the framework of authorities which govern the activities of the Academy Trust;

**DELTA ACADEMIES TRUST**

**INDEPENDENT REPORTING ACCOUNTANTS ASSURANCE REPORT ON REGULARITY TO  
DELTA ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

(continued)

- Reviewing the evidence supporting the representations included in the Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Testing compliance with delegated authorities for a sample of material transactions;
- Testing transactions with connected parties to determine whether the Trust has complied with the 'at cost' requirements of the Academies Financial Handbook 2018;
- Confirming through enquiry and sample testing that the Trust has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

This list is not exhaustive and we performed additional procedures designed to provide us with sufficient appropriate evidence to express a negative conclusion on regularity consistent with the requirements of Annex B of the Academies Accounts Direction 2018 to 2019.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Clare Partridge**  
**Reporting Accountant**  
**for and on behalf of KPMG LLP**  
Chartered Accountants  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

18 December 2019

**DELTA ACADEMIES TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year ended 31 August 2019**  
**(including Income and Expenditure Account)**

|  | Unrestricted | Restricted    | Restricted      |                |                 |
|--|--------------|---------------|-----------------|----------------|-----------------|
|  | Funds        | General       | Fixed           |                |                 |
|  | 2019         | 2019          | 2019            | Total          | Total           |
| Note   | £'000        | £'000         | £'000           | 2019           | 2018            |
|  |              |               |                 | £'000          | £'000           |
| <b>Income from:</b>  |              |               |                 |                |                 |
| Donations and capital grants   | 2            | 4             | 607             | 27,347         | 27,958          |
| . Transfer from Local Authority  | 2            | 259           | 14              | 11             | 284             |
| . Transfer in Academy Trust  | 2            | -             | 58              | -              | 58              |
| <i>Charitable activities:</i>  |              |               |                 |                |                 |
| . Funding for the Trust's educational operations                           | 3            | 1,993         | 124,424         | -              | 126,417         |
| Other trading activities   | 4            | 662           | 783             | -              | 1,445           |
| Investment income  | 5            | 127           | -               | -              | 127             |
| <b>Total incoming resources</b>  |              | <b>3,045</b>  | <b>125,886</b>  | <b>27,358</b>  | <b>156,289</b>  |
| <b>Expenditure on:</b>   |              |               |                 |                |                 |
| <i>Charitable activities:</i>  |              |               |                 |                |                 |
| . Trust's educational operations   | 6, 7         | 1,485         | 123,881         | 10,942         | 136,308         |
| . Transfers out  |              | -             | -               | -              | -               |
| <b>Total resources expended</b>  | 6            | <b>1,485</b>  | <b>123,881</b>  | <b>10,942</b>  | <b>136,308</b>  |
| <b>Net income / (expenditure) before transfers</b>                         |              | <b>1,560</b>  | <b>2,005</b>    | <b>16,416</b>  | <b>19,981</b>   |
| <b>Transfers</b>   |              |               |                 |                |                 |
| Transfers between funds  | 17           |               | (3,541)         | 3,541          | -               |
| <b>Net income / (expenditure) before other recognised gains and losses</b> |              | <b>1,560</b>  | <b>(1,536)</b>  | <b>19,957</b>  | <b>19,981</b>   |
| <b>Other recognised gains / (losses):</b>                                  |              |               |                 |                |                 |
| Actuarial (losses) / gains on defined benefit pension schemes              | 17, 27       | -             | (32,295)        | -              | (32,295)        |
| <b>Net movement in funds</b>   |              | <b>1,560</b>  | <b>(33,831)</b> | <b>19,957</b>  | <b>(12,314)</b> |
| <b>Reconciliation of funds</b>   |              |               |                 |                |                 |
| Total funds brought forward  | 17           | 9,479         | (22,862)        | 193,176        | 179,793         |
| <b>Total funds carried forward</b>   |              | <b>11,039</b> | <b>(56,693)</b> | <b>213,133</b> | <b>167,479</b>  |

All activities derive from continuing operations.

A Statement of Other Government Income is not required as all gains and losses are included in the Statement of Financial Activities.

The deficit restricted general reserve includes surplus restricted general funds of £14,430,000 offset by deficit pension reserves of £71,123,000.

The accompanying notes form part of these financial statements.

**DELTA ACADEMIES TRUST**

(COMPANY REGISTRATION NUMBER 07386086)

**BALANCE SHEET  
at 31 August 2019**

|   | Notes | 2019<br>£'000   | 2019<br>£'000   | 2018<br>£'000   | 2018<br>£'000   |
|---|-------|-----------------|-----------------|-----------------|-----------------|
| <b>Fixed assets</b>                                     |       |                 |                 |                 |                 |
| Tangible assets   | 12    |                 | <u>232,333</u>  |                 | <u>191,897</u>  |
| Total fixed assets                                      |       |                 | <u>232,333</u>  |                 | <u>191,897</u>  |
| <b>Current assets</b>                                   |       |                 |                 |                 |                 |
| Stock   | 13    | 45              |                 | 39              |                 |
| Debtors   | 14    | 4,763           |                 | 4,940           |                 |
| Cash at bank and in hand                                |       | <u>35,440</u>   |                 | <u>28,515</u>   |                 |
| Total current assets                                    |       | 40,248          |                 | 33,494          |                 |
| <b>Liabilities:</b>                                     |       |                 |                 |                 |                 |
| Creditors: Amounts falling due within one year          | 15    | <u>(13,136)</u> |                 | <u>(10,149)</u> |                 |
| Net current assets                                      |       |                 | <u>27,112</u>   |                 | <u>23,345</u>   |
| Total assets less current liabilities                   |       |                 | 259,445         |                 | 215,242         |
| Creditors: Amounts falling due after more than one year | 16    |                 | <u>(20,843)</u> |                 | <u>(2,325)</u>  |
| Net assets excluding pension liability                  |       |                 | 238,602         |                 | 212,918         |
| Pension scheme liability                                | 27    |                 | <u>(71,123)</u> |                 | <u>(33,125)</u> |
| Net assets including pension liability                  |       |                 | <u>167,479</u>  |                 | <u>179,793</u>  |
| <b>Funds of the academy:</b>                            |       |                 |                 |                 |                 |
| <b>Restricted funds</b>                                 |       |                 |                 |                 |                 |
| . Fixed asset fund(s)                                   | 17    |                 | 213,133         |                 | 193,176         |
| . Restricted income fund(s)                             | 17    |                 | 14,430          |                 | 10,263          |
| . Pension reserve                                       | 17    |                 | <u>(71,123)</u> |                 | <u>(33,125)</u> |
| Total restricted funds                                  |       |                 | <u>156,440</u>  |                 | <u>170,314</u>  |
| <b>Unrestricted funds</b>                               |       |                 |                 |                 |                 |
| . Unrestricted income fund(s)                           | 17    |                 | <u>11,039</u>   |                 | <u>9,479</u>    |
| Total unrestricted funds                                |       |                 | <u>11,039</u>   |                 | <u>9,479</u>    |
| Total Funds   |       |                 | <u>167,479</u>  |                 | <u>179,793</u>  |

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on

18

December 2019 and signed on their behalf

by:



Mr Steven Hodsmen  
Chair of the Board of Directors



**DELTA ACADEMIES TRUST**

**CASH FLOW STATEMENT**  
**For the year ended 31 August 2019**

|  |           | <b>2019<br/>Total<br/>£'000</b> | <b>2018<br/>Total<br/>£'000</b> |
|--|-----------|---------------------------------|---------------------------------|
| <b>Cash flows from operating activities</b>                        |           |                                 |                                 |
| Net cash provided by / (used in) operating activities              | <b>21</b> | 10,424                          | 12,696                          |
| <b>Cash flows from financing activities</b>                        | <b>22</b> | (1,654)                         | (9,580)                         |
| <b>Cash flows from investing activities</b>                        | <b>23</b> | (2,170)                         | (2,314)                         |
| Cash transferred on conversion to academy trust                    |           | 325                             | -                               |
| <b>Change in cash and cash equivalents in the reporting period</b> |           | <u>6,925</u>                    | <u>802</u>                      |
| Cash and cash equivalents at 1 September 2018                      |           | 28,515                          | 27,713                          |
| Cash and cash equivalents at 31 August 2019                        |           | <u>35,440</u>                   | <u>28,515</u>                   |

The accompanying notes form part of these financial statements.

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019

#### 1 Statement of Accounting Policies

##### **Basis of preparation**

The financial statements of Delta Academies Trust (the Trust), which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. Delta Academies Trust meets the definition of a public benefit entity under FRS 102.

These financial statements have been prepared in accordance with the Charities SORP (FRS 102).

##### **Going concern**

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

The Trust made a surplus of £19,981k in the year and has net current assets, after the pension scheme liability, of £167,479k at the year end. The Trust had net current assets of £238,602k before the pension scheme liability and had cash balances of £35,440k at the year-end. As such the board of directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and so the financial statements have been prepared on a going concern basis.

##### **Income**

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

##### **Grants receivable**

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019

#### **Statement of Accounting Policies (continued)**

##### ***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 lettings, is recognised in the period it is receivable and to the extent the Trust has provided the goods / services.

##### ***Donated goods, facilities and services***

The value of donated services and gifts in kind provided to the Trust are recognised in the Statement of Financial Activities as incoming resources and resources expended at their value in the period in which they are receivable and where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading within the Statement of Financial Activities.

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 should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed assets category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

Gift aid included in other donations from the subsidiary is accounted for in line with SORP Update Bulletin 2 Section 3.

##### ***Transfer of existing academies into the trust***

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

##### ***Transfer on conversion***

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

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

The assets and liabilities transferred on conversion from Darton College, Greengates Primary School and Lower Fields Primary School to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in donations – transfer from Local Authority in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transactions are set out in note 31.

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019

#### Statement of 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 of consistent with the use of the resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

##### *Expenditure on Raising Funds*

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

##### *Charitable Activities*

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

All resources expended are inclusive of irrecoverable VAT.

##### Tangible fixed assets

##### Fixtures and Fittings and Computer Equipment

Tangible fixed assets acquired since the Trust was established are included in the accounts at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the Statement of Financial Activities and carried forward in the balance sheet). The depreciation on such assets is charged in the Statement of Financial Activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Where assets are gifted or donated, the initial carrying amount is the fair value at the date of receipt.

Assets costing less than £500 are written off in the year of acquisition. All other assets are capitalised.

##### Depreciation

Depreciation is provided on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives.

The principal annual rates used for assets are:

|                       |                      |
|-----------------------|----------------------|
| Fixtures and fittings | 10% reducing balance |
| IT equipment          | 33% reducing balance |

##### Freehold and Long Leasehold Property

Freehold and long leasehold property are capitalised where the organisation will have full use of the asset over its useful economic life.

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019

#### Statement of Accounting Policies (continued)

Freehold and long leasehold property transferred from the predecessor authorities are recognised at their fair value. Depreciation on transferred buildings is charged on a straight line basis over the lower of the useful economic life or the term of any related lease. Depreciation is charged from the date of conversion.

Freehold - Over the range 20 to 30 years (useful economic life).  
Leasehold - Over the range 3 to 50 years (useful economic life).

#### Impairment

A review for impairment of freehold and long leasehold property is carried out on an annual basis. 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.

#### Stock

Unused uniform and catering stocks are valued at the lower of cost or net realisable value.

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

#### Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

#### Taxation

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation and Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Pension benefits

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

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019

#### Statement of Accounting Policies (continued)

##### *Teachers' Pension Scheme*

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme and the contributions recognised in the period to which they relate.

##### *Local Government Pension Scheme*

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

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

##### **Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/ donor and include grants from the Education and Skills Funding Agency / Department for Education and other donors which are to be used for specific purposes.

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

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

##### **Critical accounting estimates and assumptions**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability.

## **DELTA ACADEMIES TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019**

#### **Statement of Accounting Policies (continued)**

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pension liability as at 31 August 2018. 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.

#### **Areas of Judgement**

In line with the accounting policy management have reviewed for impairment both freehold and leasehold properties which required an element of judgement. See note 12 for further details.

#### **Consolidation Exemption**

The accounting of the subsidiary, Delta Academies Services Limited, does not justify consolidation as the related results, assets, liabilities and cash flows are not deemed to be material to the organisation as a whole. Therefore the charity has applied the exemptions permitted in SORP paragraph 383 and not consolidated the results of the subsidiary.

These financial statements therefore present information about the Trust as an individual entity.

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

| 2 Donations and Capital Grants                      | Unrestricted<br>Funds<br>2019<br>£'000 | Restricted<br>Funds<br>2019<br>£'000 | 2019<br>Total<br>£'000 | 2018<br>Total<br>£'000 |
|---|--|--------------------------------------|------------------------|------------------------|
| Donated Assets                                      | -                                      | 23,225                               | 23,225                 | 22,828                 |
| Other Grants  | -                                      | 448                                  | 448                    | 386                    |
| Other Donations                                     | 4                                      | 159                                  | 163                    | 90                     |
| Capital Grants                                      |  |                                      |                        |                        |
| - DfE / ESFA  | -                                      | 4,110                                | 4,110                  | 3,483                  |
| - Other government                                  | -                                      | 12                                   | 12                     | -                      |
| Transfer from Local Authority on conversion         | 259                                    | 14                                   | 273                    | -                      |
| Capital transfer from Local Authority on conversion | -                                      | 11                                   | 11                     | -                      |
| Funds from transfer in                              | -                                      | 58                                   | 58                     | 11                     |
|   | <u>263</u>                             | <u>28,037</u>                        | <u>28,300</u>          | <u>26,798</u>          |

The income from donations and capital grants was £28,300,000 (2018: £26,798,000) of which £263,000 was unrestricted (2018: £nil), £27,358,000 restricted fixed assets (2018: £26,311,000) and £879,000 other restricted (2018: £487,000).

Donated assets relate to fixed assets transferred into the Trust from Wakefield City Academies Trust of £30,000 for The Laurel Academy (previously known as Mexborough Academy), £3,279,000 from Northern Education Trust for Southmere Primary Academy and conversions from the Local Authorities £14,997,000 for Darton Academy, £1,797,000 for Greengates Primary Academy and £3,122,000 for Lower Fields Primary Academy. Further details on the transfers in and conversions are shown in note 30 and 31. Buildings for The Laurel Academy were transferred in at a loss, see note 7.

Other grants of £448,000 includes £162,000 of NCOP / HepSy careers grants, £48,000 of University Placement Grants, £48,000 Ecorys Grant, £34,000 Outwood Grange Academies Trust, £24,000 Teach First Grants, £22,000 UCL - Mandarin in Excellence, £15,000 Family Action Magic Breakfast Grants, £11,000 Ingleby Manor Foundation Trust, £10,000 Edina Trust Science Grants, £8,000 Careers Inc and £88,000 of other grants.

3 Funding For Educational Operations

|   | Unrestricted<br>Funds<br>2019<br>£'000 | Restricted<br>Funds<br>2019<br>£'000 | 2019<br>Total<br>£'000 | 2018<br>Total<br>£'000 |
|---|--|--------------------------------------|------------------------|------------------------|
| <b>DfE / ESFA and Other Government Grants</b> |  |                                      |                        |                        |
| DfE / ESFA General Annual Grant               | -                                      | 105,177                              | 105,177                | 89,030                 |
| DfE / ESFA Start Up Grants                    | -                                      | 85                                   | 85                     | 134                    |
| DfE / ESFA Pupil Premium                      | -                                      | 7,936                                | 7,936                  | 6,985                  |
| DfE / ESFA Other Grants                       | -                                      | 3,937                                | 3,937                  | 2,632                  |
| Other Government Revenue Grants               | -                                      | 6,168                                | 6,168                  | 5,559                  |
|   | <u>-</u>                               | <u>123,303</u>                       | <u>123,303</u>         | <u>104,340</u>         |
| <b>Other Income</b>                           |  |                                      |                        |                        |
| School Trips                                  | -                                      | 933                                  | 933                    | 836                    |
| Catering Income                               | 1,808                                  | -                                    | 1,808                  | 993                    |
| Music Lessons                                 | -                                      | 87                                   | 87                     | 83                     |
| Insurance Income                              | 149                                    | -                                    | 149                    | 118                    |
| Other grants                                  | -                                      | 101                                  | 101                    | 67                     |
| Uniform Sales                                 | 36                                     | -                                    | 36                     | 50                     |
|   | <u>1,993</u>                           | <u>1,121</u>                         | <u>3,114</u>           | <u>2,147</u>           |
|   | <u>1,993</u>                           | <u>124,424</u>                       | <u>126,417</u>         | <u>106,487</u>         |

The income from funding for educational operations was £126,417,000 (2018: £106,487,000) of which £1,993,000 was unrestricted (2018: £1,161,000) and £124,424,000 other restricted (2018: £105,326,000).

The master funding agreement is not subject to limits on the amount of GAG that it could carry forward at 31 August 2019.

DfE / ESFA other grants were £3,937,000 (2018: £2,632,000) which includes a grant of £896,000 for Universal Infant Free School Meals, £809,000 Teachers Pay Grant, £560,000 Primary School Sports Grant, £399,000 of Deficit Funding, £380,000 Project Funding, £261,000 Year 7 Catch Up Premium, £245,000 Free School Meal Supplementary Funding, £216,000 Teaching Schools / School Direct, £93,000 16 - 18 Bursary Funding, £48,000 Restructure Grant, and £30,000 other DfE / ESFA grants.

Other government revenue grants were £6,168,000 (2018: £5,559,000). This relates to £6,091,000 (2018: £5,489,000) local authority grants, £40,000 NHS Well Being Funding and £37,000 Apprenticeship Levy funded training.

Local Authority grants of £6,091,000 includes grants of £2,550,000 Early Years Foundation Stage, £1,556,000 SEN funding, £939,000 Discretionary Funding, £416,000 Pupil Premium / Looked After Children, £228,000 Learning Centre Provision, £75,000 Cluster / Extended Services, £57,000 Teacher Pay Grants, £47,000 Behaviour Partnership, £38,000 Charter Inclusion Funding and £185,000 other local authority grants.



DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

4 Other Trading Activities

|                                   | Unrestricted<br>Funds<br>2019<br>£'000 | Restricted<br>Funds<br>2019<br>£'000 | 2019<br>Total<br>£'000 | 2018<br>Total<br>£'000 |
|-----------------------------------|--|--------------------------------------|------------------------|------------------------|
| Lettings                          | 367                                    | -                                    | 367                    | 364                    |
| Educational programme delivery    | -                                      | 478                                  | 478                    | 417                    |
| Training activities               | -                                      | 81                                   | 81                     | 50                     |
| Sports Coaching and Co-ordination | -                                      | -                                    | -                      | 173                    |
| Nursery fees                      | -                                      | 39                                   | 39                     | 41                     |
| Staff Secondments                 | -                                      | 75                                   | 75                     | 82                     |
| Other income                      | 295                                    | 110                                  | 405                    | 574                    |
|                                   | <u>662</u>                             | <u>783</u>                           | <u>1,445</u>           | <u>1,701</u>           |

The income from other trading activities was £1,445,000 (2018: £1,701,000) of which £662,000 was unrestricted (2018: £783,000) and £783,000 other restricted (2018: £918,000).

5 Investment Income

|               | Unrestricted<br>Funds<br>2019<br>£'000 | Restricted<br>Funds<br>2019<br>£'000 | 2019<br>Total<br>£'000 | 2018<br>Total<br>£'000 |
|---------------|--|--------------------------------------|------------------------|------------------------|
| Bank interest | 127                                    | -                                    | 127                    | 81                     |
|               | <u>127</u>                             | <u>-</u>                             | <u>127</u>             | <u>81</u>              |

The income from investments was £127,000 (2018: £81,000) of which all income in 2019 and 2018 related to unrestricted funds.

6 Resources Expended

|                                    | Staff Costs<br>£'000 | Non Pay Expenditure<br>Fixed Asset<br>Expenses<br>£'000 |                      | Total<br>2019<br>£'000 | Total<br>2018<br>£'000 |
|------------------------------------|----------------------|---|----------------------|------------------------|------------------------|
|                                    |                      |   | Other Costs<br>£'000 |                        |                        |
| Educational operations             |                      |   |                      |                        |                        |
| . Direct costs (note 7)            | 59,757               | 10,578  | 8,815                | 79,150                 | 68,144                 |
| . Allocated support costs (note 7) | 38,455               | 364   | 18,339               | 57,158                 | 51,584                 |
|                                    | <u>98,212</u>        | <u>10,942</u>   | <u>27,154</u>        | <u>136,308</u>         | <u>119,708</u>         |

Resources expended were £136,308,000 (2018: £119,708,000) of which £1,485,000 was unrestricted (2018: £2,854,000), £10,942,000 restricted fixed assets (2018: £10,472,000) and £123,881,000 other restricted (2018: £106,382,000).

Net Incoming/outgoing resources for the year include:

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| Operating leases                            |               |               |
| - land and buildings                        | 66            | 90            |
| - plant, machinery and equipment            | 411           | 414           |
| - other leases                              | 121           | 114           |
| Audit                                       |               |               |
| - audit of financial statements             | 81            | 75            |
| - other                                     | 11            | 6             |
| Internal Audit                              | 39            | 36            |
| Depreciation                                | 9,541         | 8,235         |
| (Profit) / loss on disposal of fixed assets | 311           | 144           |
| Governors' liability insurance              | 21            | 21            |
|   | <u>21</u>     | <u>21</u>     |

Included within resources expended are irrecoverable debts amounting to £1,920 (2018: £5,013). In addition assets were disposed of in the year with a Net Book Value of £311,000 (2018: £183,000).

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

7 Charitable Activities - Educational Operations

|   | Total<br>2019<br>£'000 | Total<br>2018<br>£'000 |
|---|------------------------|------------------------|
| <b>Direct costs</b>                               |                        |                        |
| Teaching staff costs                              | 59,757                 | 51,822                 |
| Staff expenses - travel and subsistence           | 361                    | 323                    |
| Staff expenses - recruitment                      | 271                    | 247                    |
| Staff related insurance                           | 104                    | 100                    |
| Depreciation                                      | 9,541                  | 8,235                  |
| Capital deficit from transfer in                  | 1,037                  | -                      |
| Educational supplies                              | 1,802                  | 1,816                  |
| Examination fees                                  | 1,193                  | 957                    |
| Educational consultancy                           | 126                    | 155                    |
| Music services                                    | 184                    | 183                    |
| External provision                                | 2,120                  | 1,846                  |
| Educational visits                                | 1,032                  | 1,003                  |
| School uniform                                    | 387                    | 297                    |
| Other direct costs                                | 1,235                  | 1,160                  |
|   | <u>79,150</u>          | <u>66,144</u>          |
| <b>Support costs</b>                              |                        |                        |
| Support staff costs                               | 37,821                 | 31,149                 |
| Other staff costs - training                      | 537                    | 487                    |
| Maintenance of premises                           | 1,441                  | 1,690                  |
| Cleaning and caretaking                           | 1,434                  | 1,313                  |
| Operating leases - land and buildings             | 66                     | 90                     |
| Operating leases - other                          | 532                    | 529                    |
| Rates   | 725                    | 640                    |
| Energy  | 2,055                  | 1,892                  |
| Risk protection arrangement fees                  | 42                     | 13                     |
| Security  | 110                    | 99                     |
| Vehicle costs                                     | 619                    | 598                    |
| Catering  | 4,090                  | 3,233                  |
| Technology costs                                  | 1,294                  | 1,167                  |
| Other premises                                    | 1,123                  | 998                    |
| PFI service costs                                 | 1,357                  | 979                    |
| Loan interest                                     | 10                     | 10                     |
| Finance lease interest                            | 53                     | 43                     |
| Legal and professional                            | 291                    | 214                    |
| Loss on disposal of fixed assets                  | 311                    | 144                    |
| Transfer out academy - fixed assets               | -                      | 2,050                  |
| Transfer out academy - other assets / liabilities | -                      | 783                    |
| Transfer out - other                              | -                      | 428                    |
| Insurance   | 532                    | 522                    |
| Telephone   | 231                    | 261                    |
| Printing, postage and stationery                  | 877                    | 748                    |
| Other support costs                               | 745                    | 644                    |
|   | <u>56,296</u>          | <u>50,724</u>          |
| Governance staff costs                            | 634                    | 634                    |
| Governor services                                 | 80                     | 76                     |
| Trustee expenses                                  | 17                     | 13                     |
| Audit   |                        |                        |
| - audit of financial statements                   | 81                     | 75                     |
| - internal audit                                  | 39                     | 36                     |
| - other   | 11                     | 6                      |
|   | <u>862</u>             | <u>840</u>             |
| Total Support Costs                               | <u>57,158</u>          | <u>51,564</u>          |
| Total Costs                                       | <u>136,308</u>         | <u>119,708</u>         |

Total direct and support costs were £136,308,000 (2018: £119,708,000) of which £1,485,000 was unrestricted (2018: £2,854,000), £10,942,000 restricted fixed assets (2018: £8,422,000,) and £123,881,000 other restricted (2018: £105,559,000).

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**8 Staff Costs**

| a) Staff cost                       | Total         | Total         |
|-------------------------------------|---------------|---------------|
| Staff costs during the year were:   | 2019          | 2018          |
|                                     | £'000         | £'000         |
| Wages and salaries                  | 70,965        | 61,123        |
| Social security costs               | 6,500         | 5,574         |
| Other pension costs                 | 17,461        | 13,774        |
| Apprenticeship Levy                 | 336           | 320           |
|                                     | <u>95,262</u> | <u>80,791</u> |
| Supply staff costs                  | 2,643         | 2,633         |
| Staff restructuring costs           | 307           | 181           |
|                                     | <u>98,212</u> | <u>83,605</u> |
| Staff restructuring costs comprise: |               |               |
| - Redundancy payments               | 147           | 117           |
| - Severance payments                | 160           | 64            |
|                                     | <u>307</u>    | <u>181</u>    |

**b) Staff severance payments**

Included within the staff restructuring costs are severance payments totalling £160,382. Individually, the payments were:

*£31,817 - £19,095 - £16,188 - £15,000 - £14,381 - £14,078 - £12,215 -  
£11,967 - £7,953 - £6,855 - £4,000 - £3,500 - £3,333*

**c) Staff numbers**

The average number of persons (including senior management team) employed by Delta Academies Trust during the year expressed as full time equivalents were as follows:

|                              | 2019         | 2018         |
|------------------------------|--------------|--------------|
|                              | No.          | No.          |
| <b>Charitable Activities</b> |              |              |
| Teachers                     | 935          | 865          |
| Admin and support            | 1,312        | 1,087        |
| Leadership                   | 260          | 206          |
|                              | <u>2,507</u> | <u>2,158</u> |

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

|                              | 2019         | 2018         |
|------------------------------|--------------|--------------|
|                              | No.          | No.          |
| <b>Charitable Activities</b> |              |              |
| Teachers                     | 1,009        | 933          |
| Admin and support            | 1,773        | 1,535        |
| Leadership                   | 267          | 213          |
|                              | <u>3,049</u> | <u>2,681</u> |

**d) Higher paid staff**

The number of employees whose emoluments fell within the following bands was:

|                     | 2019 | 2018 |
|---------------------|------|------|
|                     | No.  | No.  |
| £60,001 - £70,000   | 32   | 24   |
| £70,001 - £80,000   | 13   | 8    |
| £80,001 - £90,000   | 10   | 8    |
| £90,001 - £100,000  | 5    | 4    |
| £100,001 - £110,000 | 1    | 2    |
| £110,001 - £120,000 | 1    | 0    |
| £120,001 - £130,000 | 3    | 4    |
| £180,001 - £190,000 | 0    | 0    |
| £190,001 - £200,000 | 0    | 1    |
| £200,001 - £210,000 | 1    | 0    |

Sixty of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019, pension contributions for these staff amounted to £750,636 (2018: £575,242). Five employees participated in the Local Government Pension Scheme, with pension contributions amounting to £60,935 (2018: £53,871).

**e) Key management personnel**

The key management personnel of Delta Academies Trust comprise the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,300,036 (2018: £1,314,690).

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2019

#### 9 Remuneration and Expenses

Directors: One Director receives remuneration in respect of services they provide undertaking his role within the trust and not in respect of his services as a director. Other directors did not receive any payments in respect of their roles as a Director. Expenses amounting to £15,966 (2018: £12,652) were paid during the year to six Directors.

Mr Paul Tam (Chief Executive Officer)  
£200,001 - £205,000 (2019: £195,001 - £200,000)

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2019 pension contributions amounted to £33,215 (2018: £32,147).

#### 10 Governors' and Officers Insurance

In accordance with normal commercial practice the trust has purchased insurance to protect Directors, Academy Advisory Body members and Officers from claims arising from negligent acts, errors or omissions whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the costs for the year ended 31 August 2019 were £20,636 (2018: £20,636). The cost of this insurance is included in the total insurance cost.

#### 11 Central Services

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

- School Improvement
- Financial management
- HR and legal advice
- ICT strategy
- Facilities management
- Curriculum design
- Staff deployment
- Recruitment
- Audit services (internal and external)
- Post 16 leadership
- Data and SIMS support
- Business services
- Governance
- Compliance
- Leadership Development and CPD

The trust charges for these services based on a percentage of GAG income excluding grants received towards rates and insurance. In 2019 this was 3.9% (2018: 3.9%). In addition where academies have received additional growth funding / place funding from local authorities a further 3.9% has been charged (2018: 3.9%).

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

11 Central Services (continued)

The amounts charged during the year were as follows:

|                                   | 2019<br>£'000 | 2018<br>£'000 |
|-----------------------------------|---------------|---------------|
| Ash Hill Academy                  | 150           | 154           |
| Craven Primary Academy            | 34            | 32            |
| Crookesbroom Primary Academy      | 34            | 35            |
| Darton Academy                    | 187           | -             |
| De Lacy Academy                   | 125           | 124           |
| De Warrene Academy                | 156           | 158           |
| Don Valley Academy                | 208           | 198           |
| East Garforth Primary Academy     | 37            | 36            |
| England Lane Academy              | 32            | 33            |
| Estcourt Primary Academy          | 49            | 48            |
| Garforth Academy                  | 339           | 348           |
| Goole Academy                     | 169           | 70            |
| Grange Lane Infant Academy        | 27            | 25            |
| Greengates Primary Academy        | 27            | -             |
| Green Lane Primary Academy        | 55            | 55            |
| Hatfield Woodhouse Primary School | 31            | 30            |
| Highfields Primary Academy        | 23            | 25            |
| Hull Trinity House Academy        | 143           | 139           |
| Ingleby Manor Free School         | 109           | 88            |
| John Whitgift Academy             | 111           | 96            |
| Kingston Park Academy             | 34            | 31            |
| Lower Fields Primary Academy      | 54            | -             |
| Macauley Primary Academy          | 75            | 73            |
| Manor Croft Academy               | 153           | 137           |
| Melior Community Academy          | 140           | 132           |
| Mersey Primary Academy            | 31            | 30            |
| Montagu Academy                   | 62            | 25            |
| Morley Place Academy              | 45            | 18            |
| Park View Primary Academy         | 40            | 38            |
| Pheasant Bank Academy             | 57            | 54            |
| Rossington All Saints Academy     | 155           | 154           |
| Rowena Academy                    | 37            | 37            |
| Serby Park Academy                | 145           | 144           |
| Simpsons Lane Academy             | 58            | 57            |
| Southmere Primary Academy         | 45            | -             |
| Strand Primary Academy            | 33            | 32            |
| St Wilfrid's Academy              | 49            | 49            |
| The Elland Academy                | 50            | 50            |
| The Grove Academy                 | 20            | 17            |
| The Laurel Academy                | 118           | -             |
| The Parks Academy                 | 54            | 49            |
| The South Leeds Academy           | -             | 77            |
| The Vale Academy                  | 141           | 148           |
| Vale Primary Academy              | 34            | 35            |
| Weelsby Academy                   | 63            | 61            |
| Whetley Academy                   | 87            | 92            |
| Willoughby Road Primary Academy   | 54            | 53            |
| Willow Green Academy              | 33            | 34            |
| Willows Academy                   | 30            | 26            |
| Worlaby Academy                   | 16            | 15            |
| Wybers Wood Academy               | 57            | 58            |
|                                   | <u>4,016</u>  | <u>3,420</u>  |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

12 Tangible Fixed Assets

|                          | Freehold<br>Land and<br>Buildings | Leasehold<br>Land and<br>Buildings | Fixtures and<br>Fittings | Computer<br>Equipment | Total   |
|--------------------------|-----------------------------------|------------------------------------|--------------------------|-----------------------|---------|
|                          | £'000                             | £'000                              | £'000                    | £'000                 | £'000   |
| <b>Cost or Valuation</b> |                                   |                                    |                          |                       |         |
| At 1 September 2018      | 45,314                            | 171,915                            | 7,878                    | 7,519                 | 232,626 |
| Additions                | 652                               | 3,049                              | 1,360                    | 1,369                 | 6,430   |
| Disposals                | -                                 | (303)                              | (93)                     | (262)                 | (658)   |
| Transfer In              | -                                 | 43,790                             | 39                       | 30                    | 43,859  |
| Transfer out             | -                                 | -                                  | -                        | -                     | -       |
| At 31 August 2019        | 45,966                            | 218,451                            | 9,184                    | 8,656                 | 282,257 |
| <b>Depreciation</b>      |                                   |                                    |                          |                       |         |
| At 1 September 2018      | 6,948                             | 26,372                             | 2,181                    | 5,228                 | 40,729  |
| Charged in year          | 1,521                             | 6,119                              | 701                      | 1,200                 | 9,541   |
| Disposals                | -                                 | (78)                               | (37)                     | (231)                 | (346)   |
| Transfer out             | -                                 | -                                  | -                        | -                     | -       |
| At 31 August 2019        | 8,469                             | 32,413                             | 2,845                    | 6,197                 | 49,924  |
| <b>Net book values</b>   |                                   |                                    |                          |                       |         |
| At 31 August 2019        | 37,497                            | 186,038                            | 6,339                    | 2,459                 | 232,333 |
| At 31 August 2018        | 38,366                            | 145,543                            | 5,697                    | 2,291                 | 191,897 |

All assets held at the year end were for the provision of education.

Included within gross assets of £282,257,000 is £45,966,000 of freehold land and buildings. This includes £3,529,000 of non depreciable assets.

Leasehold land and buildings includes £43,790,000 transferred in during the year. £14,644,000 was transferred in from Wakefield City Academies Trust relating to The Laurel Academy (previously known as Mexborough Academy, £3,240,000 was transferred in from Northern Education Trust relating to Southmere Primary Academy and £25,906,000 from local authorities following academy conversions (Darton - £20,987,000 from Barnsley Metropolitan Borough Council and from City of Bradford Metropolitan District Council - Greengates Primary Academy - £1,797,000 and Lower Fields Primary Academy - £3,122,000). Buildings have been valued by Mr B Allan MRICS of Carter Jonas LLP, a RICS registered valuer.

The total net book value of fixed assets relating to academies that transferred in during the year was £17,952,000, including £14,673,000 relating to The Laurel Academy and £3,279,000 relating to Southmere Primary Academy. This is shown in note 30.

The total net book value of fixed assets relating to academies that converted during the year was £25,906,000. This is shown in note 31.

Management have assessed the carrying value of their residual portfolio and identified no indicators of impairment. As such no adjustments have been recognised.

13 Stock

|          | 2019<br>£'000 | 2018<br>£'000 |
|----------|---------------|---------------|
| Uniform  | 29            | 31            |
| Catering | 16            | 8             |
|          | <u>45</u>     | <u>39</u>     |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

| 14 Debtors: amounts owed within one year | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| Trade debtors                            | 191           | 460           |
| Prepayments                              | 1,490         | 1,462         |
| Accrued income                           | 1,834         | 1,960         |
| Other debtors                            | 264           | 192           |
| VAT recoverable                          | 980           | 866           |
| Amount due from subsidiary undertaking   | 4             | -             |
|  | <u>4,763</u>  | <u>4,940</u>  |

| 15 Creditors: amounts falling due within one year | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| Trade creditors                                   | 4,467         | 3,815         |
| Taxation and social security                      | 1,665         | 1,473         |
| ESFA creditor: abatement of GAG                   | 27            | 55            |
| Other creditors                                   | 1,882         | 1,781         |
| Loans   | 113           | 113           |
| Accruals  | 1,759         | 1,135         |
| Deferred income                                   | 1,545         | 1,660         |
| Finance lease                                     | 1,678         | 117           |
|   | <u>13,136</u> | <u>10,149</u> |

| Deferred income                      | 2019<br>£'000  |
|--------------------------------------|----------------|
| Deferred Income at 1 September 2018  | 1,660          |
| Resources deferred in the year       | 1,545          |
| Amounts utilised from previous years | <u>(1,660)</u> |
| Deferred Income at 31 August 2019    | <u>1,545</u>   |

Deferred income held at 31 August 2019 includes Universal Infant Free School Meals grant £550,000, rates relief grant £352,000 other LA grant funding £286,000, trips income £221,000, other grants £66,000, National Leader of Education / Governance grants £29,000, School Direct £19,000, TSST grant £10,000, Teaching Schools grants £3,000 and other income £9,000.

16 Creditors: amounts falling due after more than one year

|                       | 2019<br>£'000 | 2018<br>£'000 |
|-----------------------|---------------|---------------|
| <b>Loans</b>          |               |               |
| Due 1 - 2 years       | 113           | 113           |
| Due 2 - 5 years       | 337           | 337           |
| Due over 5 years      | <u>338</u>    | <u>450</u>    |
|                       | <u>788</u>    | <u>900</u>    |
| <b>Finance Leases</b> |               |               |
| Due 1 - 2 years       | 1,646         | 115           |
| Due 2 - 5 years       | 4,745         | 331           |
| Due over 5 years      | <u>13,664</u> | <u>979</u>    |
|                       | <u>20,055</u> | <u>1,425</u>  |
| <b>Total</b>          | <u>20,843</u> | <u>2,325</u>  |

Loans outstanding at 31 August 2019 relate to a DfE loan of £1,000,000 which was taken out under the MAT pilot scheme during 2017, repayable over 10 years with interest charged at 1.91%. The amount outstanding on this loan at 31 August 2019 is £800,000.

Other loans of £100,000 relate to loans transferred on conversion. There is no interest charged on this loan.

Finance leases relate to PFI commitments recognised in the year on Darton Academy and The Laurel Academy and an existing commitment on Manor Croft Academy, all with interest charged at 2%.

During the year Darton Academy and The Laurel Academy transferred into the Trust with PFI finance lease liabilities of £5,990,000 and £15,681,000.

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

17 Funds

|  | Balance at<br>1 September<br>2018<br>£'000 | Incoming<br>resources<br>£'000 | Resources<br>expended<br>£'000 | Gains, losses<br>and transfers<br>£'000 | Balance at<br>31 August<br>2019<br>£'000 |
|--|--|--------------------------------|--------------------------------|---|--|
| <b>Restricted general funds</b>                  |  |                                |                                |   |  |
| General Annual Grant (GAG)                       | 6,886                                      | 105,177                        | (98,691)                       | (3,574)                                 | 9,598                                    |
| Start Up Grant                                   | -  | 85                             | (85)                           | -                                       | -  |
| Other DfE/ESFA grants                            | 343  | 11,873                         | (12,215)                       | -                                       | 1  |
| Other government income                          | 367  | 6,168                          | (6,088)                        | -                                       | 447                                      |
| Other grants                                     | 5  | 549                            | (543)                          | -                                       | 11                                       |
| Other restricted                                 | 2,027                                      | 1,976                          | (556)                          | 33                                      | 3,480                                    |
| Funds transferred in                             | 835  | 58                             | -                              | -                                       | 893                                      |
| Pension reserve                                  | 10,263                                     | 125,986                        | (118,178)                      | (3,541)                                 | 14,430                                   |
|  | (33,125)                                   | -                              | (5,703)                        | (32,295)                                | (71,123)                                 |
|  | (22,862)                                   | 125,986                        | (123,881)                      | (35,836)                                | (56,693)                                 |
| <b>Restricted fixed asset funds</b>              |  |                                |                                |   |  |
| DfE/ESFA capital grants and expenditure from GAG | 39,040                                     | 4,110                          | (3,193)                        | 3,541                                   | 43,498                                   |
| Other capital grants                             | -  | 12                             | (12)                           | -                                       | -  |
| Capital transferred in                           | -  | 11                             | (11)                           | -                                       | -  |
| Donated assets                                   | 154,136                                    | 23,225                         | (7,726)                        | -                                       | 169,635                                  |
|  | 193,176                                    | 27,358                         | (10,942)                       | 3,541                                   | 213,133                                  |
| <b>Total restricted funds</b>                    | <b>170,314</b>                             | <b>153,244</b>                 | <b>(134,823)</b>               | <b>(32,295)</b>                         | <b>156,440</b>                           |
| <b>Unrestricted funds</b>                        |  |                                |                                |   |  |
| Transfer from Local Authority on conversion      | 2,491                                      | 259                            | (148)                          | -                                       | 2,602                                    |
| Other unrestricted funds                         | 6,935                                      | 2,786                          | (1,337)                        | -                                       | 8,384                                    |
| Unrestricted Funds transferred in                | 53   | -                              | -                              | -                                       | 53                                       |
| <b>Total unrestricted funds</b>                  | <b>9,479</b>                               | <b>3,045</b>                   | <b>(1,485)</b>                 | <b>-</b>                                | <b>11,039</b>                            |
| <b>Total funds</b>                               | <b>179,793</b>                             | <b>156,289</b>                 | <b>(136,308)</b>               | <b>(32,295)</b>                         | <b>167,479</b>                           |

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

Restricted general funds are to be applied for specific purposes.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes. The balance includes the net book value of fixed assets of £232,333,000, ESFA / DfE Capital Grants carried forward of £2,532,000, less amounts due in relation to finance leases outstanding on PFI academies of £21,732,000.

£3,541,000 was transferred from restricted funds to the restricted fixed asset fund to support the refurbishment of buildings and the purchase of computer equipment and furniture and equipment.

The master funding agreement is not subject to limits on the amount of GAG that it could carry forward at 31 August 2019.



DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

17 Funds (continued)

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

|  | Balance at<br>1 September<br>2017<br>£'000 | Incoming<br>resources<br>£'000 | Resources<br>expended<br>£'000 | Gains, losses<br>and transfers<br>£'000 | Balance at<br>31 August<br>2018<br>£'000 |
|--|--|--------------------------------|--------------------------------|---|--|
| <b>Restricted general funds</b>                  |  |                                |                                |   |  |
| General Annual Grant (GAG)                       | 6,083                                      | 89,030                         | (84,902)                       | (3,525)                                 | 6,686                                    |
| Start Up Grant                                   | -  | 134                            | (134)                          | -                                       | -  |
| Other DfE/ESFA grants                            | 24   | 9,617                          | (9,298)                        | -                                       | 343                                      |
| Other government income                          | 223  | 5,559                          | (5,415)                        | -                                       | 367                                      |
| Other grants                                     | -  | 453                            | (448)                          | -                                       | 5  |
| Other restricted                                 | 2,526                                      | 1,927                          | (2,494)                        | 68                                      | 2,027                                    |
| Funds transferred in                             | 921  | 11                             | (97)                           | -                                       | 835                                      |
|  | 9,777                                      | 106,731                        | (102,788)                      | (3,457)                                 | 10,263                                   |
| Pension reserve                                  | (36,982)                                   | -                              | (3,594)                        | 7,451                                   | (33,125)                                 |
|  | (27,205)                                   | 106,731                        | (106,382)                      | 3,994                                   | (22,862)                                 |
| <b>Restricted fixed asset funds</b>              |  |                                |                                |   |  |
| DfE/ESFA capital grants and expenditure from GAG | 36,155                                     | 3,483                          | (4,043)                        | 3,445                                   | 39,040                                   |
| Other capital grants                             | 351  | -                              | (351)                          | -                                       | -  |
| Capital transferred in                           | 360  | -                              | (360)                          | -                                       | -  |
| Donated assets                                   | 137,026                                    | 22,828                         | (5,718)                        | -                                       | 154,136                                  |
|  | 173,892                                    | 26,311                         | (10,472)                       | 3,445                                   | 183,176                                  |
| <b>Total restricted funds</b>                    | 146,687                                    | 133,042                        | (116,854)                      | 7,439                                   | 170,314                                  |
| <b>Unrestricted funds</b>                        |  |                                |                                |   |  |
| Transfer from Local Authority on conversion      | 2,491                                      | -                              | -                              | -                                       | 2,491                                    |
| Other unrestricted funds                         | 7,571                                      | 2,025                          | (2,673)                        | 12                                      | 6,935                                    |
| Unrestricted Funds transferred in                | 234  | -                              | (181)                          | -                                       | 53                                       |
| <b>Total unrestricted funds</b>                  | 10,296                                     | 2,025                          | (2,854)                        | 12                                      | 9,479                                    |
| <b>Total funds</b>                               | 156,983                                    | 135,067                        | (119,708)                      | 7,451                                   | 179,793                                  |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 August 2019**

**17 Funds (continued)**

**Analysis of academies by fund balance**

Fund balances at 31 August 2019 were allocated as follows:

|   | <b>£'000</b>          |
|---|-----------------------|
| Ash Hill Academy                              | 201                   |
| Craven Primary Academy                        | 143                   |
| Crookesbroom Primary Academy                  | 140                   |
| Darton Academy                                | 112                   |
| De Lacy Academy                               | 429                   |
| De Warenne Academy                            | 526                   |
| Don Valley Academy                            | 213                   |
| East Garforth Primary Academy                 | 145                   |
| England Lane Academy                          | 123                   |
| Estcourt Primary Academy                      | 201                   |
| Garforth Academy                              | 1,204                 |
| Goole Academy                                 | (97)                  |
| Grange Lane Infant Academy                    | 130                   |
| Greengates Primary Academy                    | (13)                  |
| Green Lane Primary Academy                    | 215                   |
| Hatfield Woodhouse Primary School             | 123                   |
| Highfields Primary Academy                    | 92                    |
| Hull Trinity House Academy                    | 496                   |
| Ingleby Manor Free School                     | (4)                   |
| John Whitgift Academy                         | 405                   |
| Kingston Park Academy                         | 130                   |
| Lower Fields Primary Academy                  | 33                    |
| Macaulay Primary Academy                      | 303                   |
| Manor Croft Academy                           | 515                   |
| Melior Community Academy                      | 431                   |
| Mersey Primary Academy                        | 121                   |
| Montagu Academy                               | 252                   |
| Morley Place Academy                          | 157                   |
| Park View Primary Academy                     | 165                   |
| Pheasant Bank Academy                         | 224                   |
| Rossington All Saints Academy                 | 525                   |
| Rowena Academy                                | 171                   |
| Serlby Park Academy                           | 565                   |
| Simpsons Lane Academy                         | 237                   |
| Southmere Primary Academy                     | 184                   |
| Strand Primary Academy                        | 129                   |
| St Wilfrid's Academy                          | 296                   |
| The Elland Academy                            | 223                   |
| The Grove Academy                             | 141                   |
| The Laurel Academy                            | 268                   |
| The Parks Academy                             | 223                   |
| The Vale Academy                              | 480                   |
| Vale Primary Academy                          | 137                   |
| Weelsby Academy                               | 253                   |
| Whetley Academy                               | 330                   |
| Willoughby Road Primary Academy               | 220                   |
| Willow Green Academy                          | 135                   |
| Willows Academy                               | 118                   |
| Worlaby Academy                               | 60                    |
| Wybers Wood Academy                           | 204                   |
| Central services                              | <u>13,455</u>         |
| Total before fixed assets and pension reserve | <u>25,469</u>         |
| <br>  |                       |
| Restricted fixed asset fund                   | 213,133               |
| Pension reserve                               | <u>(71,123)</u>       |
| <b>Total</b>                                  | <b><u>167,479</u></b> |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

17

Funds (continued)

Analysis of academies by cost

|                                  | Teaching Staff Costs | Other Support Staff Costs | Educational Supplies | Other Costs (excluding fixed asset expenses) | Fixed Asset Expenses | Total 2019 |
|----------------------------------|----------------------|---------------------------|----------------------|--|----------------------|------------|
|                                  | £'000                | £'000                     | £'000                | £'000  | £'000                | £'000      |
| Ash Hill Academy                 | 2,146                | 1,223                     | 52                   | 973  | 320                  | 4,714      |
| Craven Primary Academy           | 430                  | 392                       | 24                   | 237  | 133                  | 1,216      |
| Crookeshroom Primary Academy     | 483                  | 283                       | 14                   | 276  | 101                  | 1,167      |
| Darton Academy                   | 2,963                | 1,300                     | 41                   | 1,394  | 487                  | 6,185      |
| De Lacy Academy                  | 1,975                | 801                       | 48                   | 720  | 514                  | 4,058      |
| De Warrenne Academy              | 2,200                | 860                       | 41                   | 1,049  | 346                  | 4,496      |
| Don Valley Academy               | 3,132                | 1,133                     | 96                   | 1,366  | 478                  | 6,205      |
| East Garforth Primary Academy    | 538                  | 267                       | 46                   | 287  | 144                  | 1,282      |
| England Lane Academy             | 378                  | 267                       | 9                    | 82   | 287                  | 1,023      |
| Estcourt Primary Academy         | 616                  | 554                       | 23                   | 359  | 99                   | 1,651      |
| Garforth Academy                 | 5,409                | 2,183                     | 139                  | 1,772  | 851                  | 10,354     |
| Google Academy                   | 2,686                | 1,110                     | 75                   | 1,251  | 578                  | 5,700      |
| Grange Lane Infant Academy       | 401                  | 385                       | 21                   | 246  | 74                   | 1,127      |
| Greengates Primary Academy       | 394                  | 309                       | 9                    | 217  | 38                   | 967        |
| Green Lane Primary Academy       | 748                  | 427                       | 47                   | 365  | 165                  | 1,762      |
| Halfeld Woodhouse Primary School | 427                  | 259                       | 20                   | 219  | 95                   | 1,020      |
| Highfields Primary Academy       | 326                  | 183                       | 21                   | 225  | 41                   | 796        |
| Hull Trinity House Academy       | 2,118                | 829                       | 51                   | 931  | 515                  | 4,444      |
| Ingleby Manor Free School        | 1,759                | 823                       | 69                   | 767  | 321                  | 3,739      |
| John Whitgift Academy            | 1,529                | 769                       | 41                   | 832  | 269                  | 3,440      |
| Kingsdon Park Academy            | 422                  | 298                       | 26                   | 261  | 99                   | 1,108      |
| Lower Fields Primary Academy     | 823                  | 665                       | 24                   | 316  | 63                   | 1,891      |
| Macaulay Primary Academy         | 1,040                | 783                       | 45                   | 537  | 148                  | 2,553      |
| Manor Croft Academy              | 1,897                | 662                       | 69                   | 537  | 264                  | 4,297      |
| Melior Community Academy         | 1,966                | 835                       | 55                   | 1,385  | 269                  | 4,122      |
| Mersey Primary Academy           | 507                  | 275                       | 19                   | 997  | 289                  | 1,082      |
| Montagu Academy                  | 959                  | 611                       | 36                   | 232  | 49                   | 2,067      |
| Morley Place Academy             | 666                  | 370                       | 36                   | 372  | 89                   | 2,067      |
| Park View Primary Academy        | 593                  | 415                       | 20                   | 320  | 64                   | 1,440      |
| Pheasant Bank Academy            | 759                  | 445                       | 23                   | 309  | 103                  | 1,443      |
| Rossington All Saints Academy    | 2,044                | 1,110                     | 38                   | 392  | 132                  | 1,751      |
| Rowena Academy                   | 648                  | 383                       | 12                   | 1,017  | 325                  | 4,534      |
| Sarby Park Academy               | 2,177                | 1,021                     | 39                   | 317  | 84                   | 1,444      |
| Simpsons Lane Academy            | 795                  | 467                       | 39                   | 1,171  | 272                  | 4,680      |
| Southmere Primary Academy        | 551                  | 422                       | 30                   | 622  | 123                  | 2,037      |
| Strand Primary Academy           | 385                  | 321                       | 19                   | 300  | 59                   | 1,355      |
| St Wilfrid's Academy             | 756                  | 499                       | 20                   | 271  | 1087                 | 1,087      |
| The Elland Academy               | 807                  | 407                       | 11                   | 708  | 159                  | 2,144      |
| The Grove Academy                | 680                  | 173                       | 9                    | 347  | 174                  | 1,746      |
| The Laurel Academy               | 1,864                | 955                       | 49                   | 178  | 43                   | 1,083      |
| The Parks Academy                | 671                  | 586                       | 43                   | 807  | 89                   | 5,026      |
| The Vale Academy                 | 2,454                | 655                       | 55                   | 355  | 1,744                | 1,744      |
| Vale Primary Academy             | 475                  | 267                       | 13                   | 826  | 364                  | 4,344      |
| Weelsby Academy                  | 934                  | 591                       | 20                   | 309  | 102                  | 1,168      |
| Whitley Academy                  | 947                  | 965                       | 71                   | 452  | 74                   | 2,071      |
| Willoughby Road Primary Academy  | 838                  | 525                       | 31                   | 615  | 184                  | 2,071      |
| Willow Green Academy             | 475                  | 288                       | 16                   | 367  | 83                   | 2,792      |
| Willows Academy                  | 429                  | 244                       | 23                   | 228  | 53                   | 1,139      |
| Worlaby Academy                  | 232                  | 105                       | 8                    | 297  | 64                   | 996        |
| Wybers Wood Academy              | 785                  | 429                       | 33                   | 132  | 64                   | 641        |
| Central services                 | 948                  | 2,173                     | 10                   | (3,230)                                      | 107                  | 1,703      |
|                                  | 60,187               | 32,322                    | 1,802                | 25,352                                       | 10,942               | 130,605    |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

18 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

|                          | Unrestricted<br>General<br>Fund | Restricted<br>General<br>Fund | Restricted<br>Fixed<br>Asset Fund | Total<br>2019<br>£'000 |
|--------------------------|---------------------------------|-------------------------------|-----------------------------------|------------------------|
|                          | £'000                           | £'000                         | £'000                             |                        |
| Tangible fixed assets    | -                               | -                             | 232,333                           | 232,333                |
| Current assets           | 11,039                          | 26,676                        | 2,533                             | 40,248                 |
| Current liabilities      | -                               | (11,458)                      | (1,678)                           | (13,136)               |
| Long term liabilities    | -                               | (788)                         | (20,055)                          | (20,843)               |
| Pension scheme liability | -                               | (71,123)                      | -                                 | (71,123)               |
| <b>Total net assets</b>  | <b>11,039</b>                   | <b>(56,693)</b>               | <b>213,133</b>                    | <b>167,479</b>         |

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

|                          | Unrestricted<br>General<br>Fund | Restricted<br>General<br>Fund | Restricted<br>Fixed<br>Asset Fund | Total<br>2018<br>£'000 |
|--------------------------|---------------------------------|-------------------------------|-----------------------------------|------------------------|
|                          | £'000                           | £'000                         | £'000                             |                        |
| Tangible fixed assets    | -                               | -                             | 191,897                           | 191,897                |
| Current assets           | 9,479                           | 21,195                        | 2,820                             | 33,494                 |
| Current liabilities      | -                               | (10,032)                      | (117)                             | (10,149)               |
| Long term liabilities    | -                               | (900)                         | (1,425)                           | (2,325)                |
| Pension scheme liability | -                               | (33,125)                      | -                                 | (33,125)               |
| <b>Total net assets</b>  | <b>9,479</b>                    | <b>(22,862)</b>               | <b>193,176</b>                    | <b>179,793</b>         |

19 Capital Commitments

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| Contracted for, but not provided in the financial statements | 798           | 1,343         |

20 Financial Commitments

*Operating leases*

At 31 August 2019 the total of the Trust's future minimum lease payments under non-cancellable operating leases were:

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| <u>Land and buildings</u>                    |               |               |
| Expiring within one year                     | 20            | 66            |
| Expiring within two and five years inclusive | -             | 20            |
| Expiring in over five years                  | -             | -             |
|  | <u>20</u>     | <u>86</u>     |
| <u>Other</u>                                 |               |               |
| Expiring within one year                     | 340           | 438           |
| Expiring within two and five years inclusive | 333           | 494           |
| Expiring in over five years                  | -             | 1             |
|  | <u>673</u>    | <u>933</u>    |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

| 21 Reconciliation of net Income / (expenditure) to net cash flow from operating activities         | 2019<br>Total<br>£'000                           | 2018<br>Total<br>£'000                           |
|--|--|--|
| Net Income / (expenditure) for the reporting period (as per the statement of financial activities) | 19,981   | 15,359   |
| Adjusted for:  |  |  |
| Depreciation (note 12)   | 9,541  | 8,235  |
| Transfer of fixed assets out   | -  | 11,051   |
| Transfer of fixed assets in  | (22,188)   | (22,828)   |
| Loss on disposal of tangible fixed assets  | 312  | 183  |
| Cash on conversion and transfer  | (11)   | -  |
| Capital grants from DfE and other capital income   | (4,122)  | (3,483)  |
| Cash on transfers in   | (58)   | -  |
| Cash on conversions  | (267)  | -  |
| Interest receivable (note 5)   | (127)  | (81)   |
| Interest payable on finance leases   | 53   | 43   |
| Interest payable on loans  | 10   | 10   |
| Defined benefit pension scheme cost less contributions payable                                     | 660  | 2,640  |
| Defined benefit pension scheme finance cost  | 5,043  | 954  |
| (Increase) / decrease in stock   | (6)  | (4)  |
| Decrease / (increase) in debtors   | 177  | 546  |
| Increase / (decrease) in creditors   | 1,426  | 71   |
| <b>Net cash provided by / (used in) operating activities</b>                                       | <b>10,424</b>                                    | <b>12,696</b>                                    |
| <br>   |  |  |
| <b>22 Cashflows from financing activities</b>  |  |  |
| Repayments of borrowing  | (112)  | (111)  |
| Debt transferred out   | -  | (9,001)  |
| Cash repayments on finance leases  | (1,542)  | (468)  |
| <b>Net cash provided by / (used in) financing activities</b>                                       | <b>(1,654)</b>                                   | <b>(9,580)</b>                                   |
| <br>   |  |  |
| <b>23 Cash flows from Investing activities</b>   |  |  |
| Dividends, interest and rents from investments   | 127  | 81   |
| Purchase of tangible fixed assets  | (6,430)  | (5,878)  |
| Capital grants from DfE/ESFA   | 4,110  | 3,483  |
| Cash on conversion and transfer  | 11   | -  |
| Capital funding received from sponsors and others  | 12   | -  |
| <b>Net cash provided by / (used in) investing activities</b>                                       | <b>(2,170)</b>                                   | <b>(2,314)</b>                                   |
| <br>   |  |  |
| <b>24 Analysis of cash and cash equivalents</b>  | <b>At 31 August<br/>2019<br/>Total<br/>£'000</b> | <b>At 31 August<br/>2018<br/>Total<br/>£'000</b> |
| Cash in hand and at bank   | 35,440   | 28,515   |
|  | <u>35,440</u>                                    | <u>28,515</u>                                    |

**25 Contingent Liabilities**

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

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

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

**26 Members' Liability**

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

## DELTA ACADEMIES TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2019

#### 27 Pension and Similar Obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £959,520 (2018: £819,446) were payable to the Teachers Pension Scheme at 31 August 2019 and are included within creditors.

Contributions amounting to £510,930 (2018: £465,059) were payable to the Local Government Pension Scheme at 31 August 2019 and are included within creditors.

#### Teachers' Pension Scheme

The pension costs are assessed in accordance with the advice of independent qualified actuaries.

The employer's pension costs paid to TPS in the period ended 31 August 2019 amounted to £7,107,565 (2018: £6,150,235).

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or change of contact, although they are able to opt out.

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

#### Valuation of the Teachers' Pension Scheme

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

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with notional investments held at the valuation date) of £176,600 million, giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

Teachers' Pension Scheme Changes (continued)

Under the definitions set out in FRS102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information on the scheme.

Local Government Pension Schemes

Delta Academies Trust is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. Separate disclosure has been provided for each scheme - West Yorkshire Pension Fund, South Yorkshire Pension Authority, East Riding Pension Fund, Nottinghamshire County Council Pension Fund, North Yorkshire Pension Fund and Teeside Pension Fund.

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.

|                           | £'000                   |                                       |                   |                            |                         |
|---------------------------|-------------------------|---------------------------------------|-------------------|----------------------------|-------------------------|
|                           | Pension liability b/fwd | Inherited (liability) / asset in year | Net service costs | Actuarial gains / (losses) | Pension liability c/fwd |
| <b>West Yorkshire</b>     |                         |                                       |                   |                            |                         |
| Combined Academies (15)   | (6,737)                 | (1,363)                               | (1,961)           | (9,729)                    | (19,790)                |
|                           | (6,737)                 | (1,363)                               | (1,961)           | (9,729)                    | (19,790)                |
| <b>South Yorkshire</b>    |                         |                                       |                   |                            |                         |
| Combined Academies (15)   | (12,444)                | (4,825)                               | (1,615)           | (9,575)                    | (28,459)                |
|                           | (12,444)                | (4,825)                               | (1,615)           | (9,575)                    | (28,459)                |
| <b>East Riding</b>        |                         |                                       |                   |                            |                         |
| Combined Academies (16)   | (9,454)                 | -                                     | (1,565)           | (5,633)                    | (16,652)                |
|                           | (9,454)                 | -                                     | (1,565)           | (5,633)                    | (16,652)                |
| <b>Nottingham</b>         |                         |                                       |                   |                            |                         |
| Kingston Park Academy     | (909)                   | -                                     | (83)              | (196)                      | (1,188)                 |
| Serlby Park Academy       | (3,329)                 | -                                     | (320)             | (766)                      | (4,417)                 |
|                           | (4,238)                 | -                                     | (403)             | (964)                      | (5,605)                 |
| <b>North Yorkshire</b>    |                         |                                       |                   |                            |                         |
| The Grove Academy         | (137)                   | -                                     | (30)              | (80)                       | (247)                   |
|                           | (137)                   | -                                     | (30)              | (80)                       | (247)                   |
| <b>Teeside</b>            |                         |                                       |                   |                            |                         |
| Ingleby Manor Free School | (115)                   | -                                     | (129)             | (126)                      | (370)                   |
|                           | (115)                   | -                                     | (129)             | (126)                      | (370)                   |
| <b>Total 2019</b>         | (33,125)                | (6,188)                               | (5,703)           | (26,107)                   | (71,123)                |
| <b>Total 2018</b>         | (36,982)                | (3,083)                               | (3,594)           | 10,534                     | (33,125)                |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**27 Pension and Similar Obligations (continued)**

**West Yorkshire Pension Fund (WYPF)**

The total contribution made for the period ended 31 August 2019 were:

|                         | 2019<br>£000's |            |              | 2018<br>£000's |            |              |
|-------------------------|----------------|------------|--------------|----------------|------------|--------------|
|                         | Ers            | Ees        | Total        | Ers            | Ees        | Total        |
| Combined Academies (15) | 1,131          | 467        | 1,598        | 1,013          | 423        | 1,436        |
|                         | <u>1,131</u>   | <u>467</u> | <u>1,598</u> | <u>1,013</u>   | <u>423</u> | <u>1,436</u> |

**South Yorkshire Pension Authority (SYPA)**

The total contribution made for the period ended 31 August 2019 were:

|                         | 2019<br>£000's |            |              | 2018<br>£000's |            |              |
|-------------------------|----------------|------------|--------------|----------------|------------|--------------|
|                         | Ers            | Ees        | Total        | Ers            | Ees        | Total        |
| Combined Academies (15) | 1,717          | 414        | 2,131        | 1,375          | 322        | 1,697        |
|                         | <u>1,717</u>   | <u>414</u> | <u>2,131</u> | <u>1,375</u>   | <u>322</u> | <u>1,697</u> |

**East Riding Pension Fund (ERPF)**

The total contribution made for the period ended 31 August 2019 were:

|                         | 2019<br>£000's |            |              | 2018<br>£000's |            |              |
|-------------------------|----------------|------------|--------------|----------------|------------|--------------|
|                         | Ers            | Ees        | Total        | Ers            | Ees        | Total        |
| Combined Academies (16) | 1,474          | 348        | 1,822        | 1,491          | 320        | 1,811        |
|                         | <u>1,474</u>   | <u>348</u> | <u>1,822</u> | <u>1,491</u>   | <u>320</u> | <u>1,811</u> |

**Nottinghamshire County Council Pension Fund (NCCPF)**

The total contribution made for the period ended 31 August 2019 were:

|                       | 2019<br>£000's |           |            | 2018<br>£000's |           |            |
|-----------------------|----------------|-----------|------------|----------------|-----------|------------|
|                       | Ers            | Ees       | Total      | Ers            | Ees       | Total      |
| Kingston Park Academy | 40             | 13        | 53         | 43             | 14        | 57         |
| Serlby Park Academy   | 144            | 45        | 189        | 151            | 48        | 199        |
|                       | <u>184</u>     | <u>58</u> | <u>242</u> | <u>194</u>     | <u>62</u> | <u>256</u> |

**North Yorkshire Pension Fund (NYPF)**

The total contribution made for the period ended 31 August 2019 were:

|                   | 2019<br>£000's |          |           | 2018<br>£000's |          |           |
|-------------------|----------------|----------|-----------|----------------|----------|-----------|
|                   | Ers            | Ees      | Total     | Ers            | Ees      | Total     |
| The Grove Academy | 24             | 7        | 31        | 27             | 8        | 35        |
|                   | <u>24</u>      | <u>7</u> | <u>31</u> | <u>27</u>      | <u>8</u> | <u>35</u> |

**Teeside Pension Fund**

The total contribution made for the period ended 31 August 2019 were:

|                           | 2019<br>£000's |           |            | 2018<br>£000's |           |           |
|---------------------------|----------------|-----------|------------|----------------|-----------|-----------|
|                           | Ers            | Ees       | Total      | Ers            | Ees       | Total     |
| Ingleby Manor Free School | 99             | 35        | 134        | 67             | 25        | 92        |
|                           | <u>99</u>      | <u>35</u> | <u>134</u> | <u>67</u>      | <u>25</u> | <u>92</u> |

The estimated value of employer contributions for the year ended 31 August 2020 is £4,500,000.

As described in note 31 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

Note 30 details LGPS obligations transferred in from other academy trusts during the year.



DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

West Yorkshire Pension Fund (WYPF)

The information below relates to the following academies; De Lacy Academy, East Garforth Primary Academy, England Lane Academy, Garforth Academy, Greengates Primary Academy, Green Lane Primary Academy, Lower Fields Primary Academy, Manor Croft Academy, Park View Primary Academy, Simpsons Lane Academy, Southmere Primary Academy, The Elland Academy, Vale Primary Academy, Whetley Academy and Willow Green Academy. Greengates Primary Academy and Lower Fields Primary Academy transferred into the Trust at 1 December 2018. Southmere Primary Academy transferred into the Trust at 1 January 2019.

| Principal Actuarial Assumptions (%)                | 2019 | 2018 |
|--|------|------|
| Rate of increase in salaries                       | 3.4  | 3.3  |
| Rate of increase for pensions in payment/inflation | 2.1  | 2.0  |
| Discount rate for scheme liabilities               | 1.9  | 2.8  |
| Inflation assumption (CPI)                         | 2.1  | 2.0  |

Commutation

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

|                       | 2019 | 2018 |
|-----------------------|------|------|
| Retiring today:       |      |      |
| Males                 | 22.2 | 22.1 |
| Females               | 25.4 | 25.3 |
| Retiring in 20 years: |      |      |
| Males                 | 23.2 | 23.1 |
| Females               | 27.2 | 27.1 |

|                              | 2019         | 2018         |
|------------------------------|--------------|--------------|
| Asset split (%):             |              |              |
| Equities                     | 77.6         | 74.6         |
| Property                     | 4.4          | 4.2          |
| Government bonds             | 10.5         | 10.8         |
| Corporate bonds              | 4.5          | 3.5          |
| Other                        | 1.1          | 4.7          |
| Cash                         | 1.9          | 2.2          |
| Total market value of assets | <u>100.0</u> | <u>100.0</u> |

|   | 2019            | 2018            |
|---|-----------------|-----------------|
| Fair Value of fund assets                       | 30,635          | 25,795          |
| Present value of the defined benefit obligation | <u>(50,425)</u> | <u>(32,532)</u> |
| Net defined benefit pension liability           | <u>(19,790)</u> | <u>(6,737)</u>  |

Total Expenditure Recognised in the Statement of Financial Activities

|  | 2019         | 2018         |
|--|--------------|--------------|
| Current service cost (net of employee contributions) | 2,078        | 2,020        |
| Past service cost                                    | 798          | 11           |
| Losses (gains) on curtailments                       | -            | -            |
| Financing cost                                       |              |              |
| Interest on net defined benefit liability/(asset)    | 216          | 208          |
| Pension expense                                      | <u>3,092</u> | <u>2,239</u> |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

|  | 2019            | 2018            |
|--|-----------------|-----------------|
| <b>Analysis of Pension Finance Income</b>  |                 |                 |
| Interest income on assets  | (776)           | (645)           |
| Interest on pension liabilities  | 992             | 853             |
| Pension finance costs  | <u>216</u>      | <u>208</u>      |
| <b>Net movement on assets and liabilities</b>                                      |                 |                 |
| B/fwd balance 1 September 2018   | (6,737)         | (9,377)         |
| Transferred (In)/out balance   | (1,363)         | 1,141           |
| Employer contribution  | 1,131           | 1,013           |
| Current service cost   | (2,078)         | (2,020)         |
| Past service cost  | (798)           | (11)            |
| Interest expense   | (992)           | (853)           |
| Interest income on assets  | 776             | 645             |
| Actuarial (losses) / gains   | (9,729)         | 2,725           |
| <b>Deficit at 31 August 2019</b>   | <u>(19,790)</u> | <u>(6,737)</u>  |
| <b>Movement in the present value of defined benefit obligations:</b>               |                 |                 |
| B/fwd balance 1 September 2018   | 32,532          | 36,194          |
| Transferred in/(out) balance   | 3,991           | (4,358)         |
| Current service cost   | 2,078           | 2,020           |
| Interest expense   | 992             | 853             |
| Employee contributions   | 467             | 423             |
| Actuarial (gains)/ losses  | 9,985           | (2,336)         |
| Benefits paid  | (418)           | (275)           |
| Past service cost  | 798             | 11              |
| <b>At 31 August 2019</b>   | <u>50,425</u>   | <u>32,532</u>   |
| <b>Movement in the fair value of fund assets:</b>                                  |                 |                 |
| B/fwd balance 1 September 2018   | 25,795          | 26,817          |
| Transferred out balance  | 2,628           | (3,217)         |
| Interest on assets   | 776             | 645             |
| Remeasurement gains/ (losses)  | 256             | 389             |
| Employer contributions   | 1,131           | 1,013           |
| Employee contributions   | 467             | 423             |
| Benefits paid  | (418)           | (275)           |
| <b>At 31 August 2019</b>   | <u>30,635</u>   | <u>25,795</u>   |
| <b>Actual return on assets:</b>  | <u>1,032</u>    | <u>1,034</u>    |
| <b>History of asset values, present value of liabilities and surplus/ deficit:</b> |                 |                 |
| Fair value of assets   | 30,635          | 25,795          |
| Present value of liabilities   | <u>(50,425)</u> | <u>(32,532)</u> |
| Deficit  | <u>(19,790)</u> | <u>(6,737)</u>  |
| <b>History of experience gains and losses:</b>                                     |                 |                 |
| Experience gains and losses on assets  |                 |                 |
| Amount   | 256             | 389             |
| Percentage of assets   | 0.8%            | 1.5%            |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**27 Pension and Similar Obligations (continued)**

**South Yorkshire Pension Authority  
(SYPA)**

The information below relates to the following academies; Ash Hill Academy, Crookesbroom Primary Academy, Darton Academy, De Warrene Academy, Don Valley Academy, Grange Lane Infant Academy, Hatfield Woodhouse Primary School, Highfields Primary Academy, Montagu Academy, Morley Place Junior School, Pheasant Bank Academy, Rossington All Saints Academy, Rowena Academy, St Wilfrids Academy and The Laurel Academy. Darton Academy transferred into the Trust at 1 October 2018. The Laurel Academy transferred into the Trust at 1 November 2018.

| <b>Principal Actuarial Assumptions (%)</b>         | <b>2019</b> | <b>2018</b> |
|--|-------------|-------------|
| Rate of increase in salaries                       | 3.35        | 3.35        |
| Rate of increase for pensions in payment/inflation | 2.20        | 2.20        |
| Discount rate for scheme liabilities               | 1.80        | 2.80        |
| Inflation assumption (CPI)                         | 2.10        | 2.10        |

**Commutation**

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

|                              | <b>2019</b> | <b>2018</b> |
|------------------------------|-------------|-------------|
| <b>Retiring today:</b>       |             |             |
| Males                        | 23.1        | 23.0        |
| Females                      | 25.9        | 25.8        |
| <b>Retiring in 20 years:</b> |             |             |
| Males                        | 25.3        | 25.2        |
| Females                      | 26.3        | 26.1        |

| <b>Asset split (%):</b>             | <b>2019</b>  | <b>2018</b>  |
|-------------------------------------|--------------|--------------|
| Equities                            | 52.3         | 53.2         |
| Property                            | 8.7          | 9.7          |
| Government bonds                    | 14.3         | 14.3         |
| Corporate bonds                     | 7.3          | 7.3          |
| Other                               | 14.2         | 10.9         |
| Cash                                | 3.2          | 4.6          |
| <b>Total market value of assets</b> | <u>100.0</u> | <u>100.0</u> |

|  |                 |                 |
|--|-----------------|-----------------|
| <b>Fair Value of fund assets</b>                       | 26,352          | 20,727          |
| <b>Present value of the defined benefit obligation</b> | <u>(54,811)</u> | <u>(33,171)</u> |
| <b>Net defined benefit pension liability</b>           | <u>(28,459)</u> | <u>(12,444)</u> |

**Total Expenditure Recognised in the  
Statement of Financial Activities**

|   | <b>2019</b>  | <b>2018</b>  |
|---|--------------|--------------|
| <b>Current service cost (net of employee contributions)</b> | 2,071        | 1,785        |
| <b>Past service cost</b>                                    | 783          | -            |
| <b>Losses/(gains) on curtailments</b>                       | -            | -            |
| <b>Financing cost</b>                                       |              |              |
| Interest on net defined benefit liability/(asset)           | 478          | 350          |
| <b>Total operating charge</b>                               | <u>3,332</u> | <u>2,135</u> |

**Analysis of Pension Finance Income**

|  |                |              |
|--|----------------|--------------|
| Interest income on assets              | 631            | 431          |
| Interest on pension liabilities        | <u>(1,109)</u> | <u>(781)</u> |
| <b>Pension finance income/ (costs)</b> | <u>(478)</u>   | <u>(350)</u> |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

|   |                 |                 |
|---|-----------------|-----------------|
| <b>27 Pension and Similar Obligations (continued)</b>                             |                 |                 |
|   | <b>Total</b>    | <b>Total</b>    |
|   | <b>2019</b>     | <b>2018</b>     |
| <b>Net movement on assets and liabilities</b>                                     |                 |                 |
| B/fwd balance 1 September 2018  | (12,444)        | (13,302)        |
| Transferred in balance  | (4,825)         | (1,781)         |
| Employer contribution   | 1,717           | 1,375           |
| Current service cost  | (2,071)         | (1,785)         |
| Past service cost   | (783)           | -               |
| Interest expense  | (1,109)         | (781)           |
| Interest income on assets   | 631             | 431             |
| Actuarial gains/(losses)  | (9,575)         | 3,399           |
| Settlements and curtailments  | -               | -               |
| <b>Deficit at 31 August 2019</b>  | <u>(28,459)</u> | <u>(12,444)</u> |
| <b>Movement in the present value of defined benefit obligations:</b>              |                 |                 |
| B/fwd balance 1 September 2018  | 33,171          | 31,203          |
| Transferred in balance  | 7,215           | 2,598           |
| Current service cost  | 2,071           | 1,785           |
| Interest cost   | 1,109           | 781             |
| Employee contributions  | 414             | 322             |
| Actuarial Losses / (Gains)  | 10,751          | (2,931)         |
| Losses (gains) on curtailments  | -               | -               |
| Benefits paid   | (703)           | (587)           |
| Past service cost   | 783             | -               |
| <b>At 31 August 2019</b>  | <u>54,811</u>   | <u>33,171</u>   |
| <b>Movement in the fair value of fund assets:</b>                                 |                 |                 |
| B/fwd balance 1 September 2018  | 20,727          | 17,901          |
| Transferred in balance  | 2,390           | 817             |
| Interest on assets  | 631             | 431             |
| Remeasurements gains / (losses)   | 1,176           | 468             |
| Employer contributions  | 1,717           | 1,375           |
| Employee contributions  | 414             | 322             |
| Benefits paid   | (703)           | (587)           |
| <b>At 31 August 2019</b>  | <u>26,352</u>   | <u>20,727</u>   |
| <b>Actual return on assets:</b>   | <u>1,836</u>    | <u>922</u>      |
| <b>History of asset values, present value of liabilities and surplus/deficit:</b> |                 |                 |
| Fair value of assets  | 26,352          | 20,727          |
| Present value of liabilities  | <u>(54,811)</u> | <u>(33,171)</u> |
| Deficit   | <u>(28,459)</u> | <u>(12,444)</u> |
| <b>History of experience gains and losses:</b>                                    |                 |                 |
| Experience gains and (losses) on assets   |                 |                 |
| Amount  | 1,176           | 468             |
| Percentage of assets  | 4.5%            | 2.3%            |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

East Riding Pension Fund (ERPF)

The information below relates to the following academies; Craven Primary Academy, Estcourt Primary Academy, Goole Academy, Hull Trinity House Academy, John Whitgift Academy, Macaulay Primary Academy, Mellor Community Academy, Mersey Primary Academy, The Parks Academy, Strand Primary Academy, The Vale Academy, Weelsby Academy, Willoughby Road Primary Academy, Willows Academy, Worlaby Academy and Wybers Wood Academy.

| Principal Actuarial Assumptions (%)                | 2019 | 2018 |
|--|------|------|
| Rate of increase in salaries                       | 2.5  | 2.6  |
| Rate of increase for pensions in payment/inflation | 2.3  | 2.4  |
| Discount rate for scheme liabilities               | 1.8  | 2.8  |
| Inflation assumption (CPI)                         | 2.3  | 2.4  |

Commutation

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

|                       |      |      |
|-----------------------|------|------|
| Retiring today:       | 2019 | 2018 |
| Males                 | 20.8 | 21.7 |
| Females               | 23.3 | 24.2 |
| Retiring in 20 years: |      |      |
| Males                 | 22.0 | 23.7 |
| Females               | 24.9 | 26.4 |

| Asset split (%):             | 2019         | 2018         |
|------------------------------|--------------|--------------|
| Equities                     | 71.0         | 72.0         |
| Property                     | 11.0         | 12.0         |
| Government bonds             | 15.0         | 13.0         |
| Corporate bonds              | -            | -            |
| Other                        | -            | -            |
| Cash                         | 3.0          | 3.0          |
| Total market value of assets | <u>100.0</u> | <u>100.0</u> |

|   |                 |                 |
|---|-----------------|-----------------|
| Fair Value of fund assets                       | 23,806          | 21,417          |
| Present value of the defined benefit obligation | <u>(40,458)</u> | <u>(30,871)</u> |
| Net defined benefit pension liability           | <u>(16,652)</u> | <u>(9,454)</u>  |

Total Expenditure Recognised in the  
Statement of Financial Activities

|  | 2019         | 2018         |
|--|--------------|--------------|
| Current service cost (net of employee contributions) | 2,394        | 2,309        |
| Past service cost                                    | 105          | -            |
| Financing cost                                       | -            | -            |
| Interest on net defined benefit liability/(asset)    | 540          | 264          |
| Pension Expense                                      | <u>3,039</u> | <u>2,573</u> |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

|  | 2019            | 2018           |
|--|-----------------|----------------|
| <b>Analysis of Pension Finance Income</b>  |                 |                |
| Interest income on assets  | 356             | 432            |
| Interest cost on pension liabilities   | (896)           | (696)          |
| Pension finance income/ (costs)  | <u>(540)</u>    | <u>(264)</u>   |
| <b>Net movement on assets and liabilities</b>                                      |                 |                |
| B/fwd balance 1 September 2018   | (9,454)         | (9,135)        |
| Transferred in balance   | -               | (2,443)        |
| Employer contribution  | 1,474           | 1,491          |
| Current service cost   | (2,394)         | (2,309)        |
| Past service cost  | (105)           | (48)           |
| Interest expense   | (896)           | (696)          |
| Interest income on assets  | 356             | 432            |
| Settlements and curtailments   | -               | -              |
| Actuarial gains/(losses)   | (5,633)         | 3,254          |
| <b>Deficit at 31 August 2019</b>   | <u>(16,652)</u> | <u>(9,454)</u> |
| <b>Movement in the present value of defined benefit obligations:</b>               |                 |                |
| B/fwd balance 1 September 2018   | 30,871          | 24,272         |
| Transferred in balance   | -               | 5,941          |
| Current service cost   | 2,394           | 2,309          |
| Interest cost  | 896             | 696            |
| Employee contributions   | 348             | 320            |
| Actuarial (gain)/ loss   | 6,252           | (2,351)        |
| Benefits paid  | (408)           | (364)          |
| Losses on curtailments   | -               | -              |
| Past service cost  | 105             | 48             |
| <b>At 31 August 2019</b>   | <u>40,458</u>   | <u>30,871</u>  |
| <b>Movement in the fair value of fund assets:</b>                                  |                 |                |
| B/fwd balance 1 September 2018   | 21,417          | 15,137         |
| Transferred in balance   | -               | 3,498          |
| Interest on income   | 356             | 432            |
| Remeasurements gains/ (losses)   | 619             | 903            |
| Employer contributions   | 1,474           | 1,491          |
| Employee contributions   | 348             | 320            |
| Benefits paid  | (408)           | (364)          |
| <b>At 31 August 2019</b>   | <u>23,806</u>   | <u>21,417</u>  |
| <b>Actual return on assets:</b>  | <u>975</u>      | <u>1,335</u>   |
| <b>History of asset values, present value of liabilities and surplus/ deficit:</b> |                 |                |
| Fair value of assets   | 23,806          | 21,417         |
| Present value of liabilities   | (40,458)        | (30,871)       |
| <b>Deficit</b>   | <u>(16,652)</u> | <u>(9,454)</u> |
| <b>History of experience gains and losses:</b>                                     |                 |                |
| Experience gains and losses on assets  |                 |                |
| Amount   | 619             | 903            |
| Percentage of assets   | 2.6%            | 4.2%           |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

Nottinghamshire County Council Pension Fund (NCCPF)

| Principal Actuarial Assumptions (%)  | Kingston Park Academy |             | Serlby Park Academy |             | Total       |             |
|--|-----------------------|-------------|---------------------|-------------|-------------|-------------|
|  | 2019                  | 2018        | 2019                | 2018        | 2019        | 2018        |
| Rate of increase in salaries   | 3.7                   | 3.8         | 3.7                 | 3.8         | 3.7         | 3.8         |
| Rate of increase for pensions in payment/inflation   | 2.2                   | 2.3         | 2.2                 | 2.3         | 2.2         | 2.3         |
| Discount rate for scheme liabilities   | 1.9                   | 2.7         | 1.9                 | 2.7         | 1.9         | 2.7         |
| inflation assumption (CPI)   | 2.2                   | 2.3         | 2.2                 | 2.3         | 2.2         | 2.3         |
| <b>Commutation</b>   |                       |             |                     |             |             |             |
| The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement |                       |             |                     |             |             |             |
| Retiring today:  | 2019                  | 2018        | 2019                | 2018        | 2019        | 2018        |
| Males  | 21.7                  | 22.6        | 21.7                | 22.6        | 21.7        | 22.6        |
| Females  | 24.4                  | 25.5        | 24.4                | 25.5        | 24.4        | 25.5        |
| Retiring in 20 years:  |                       |             |                     |             |             |             |
| Males  | 23.3                  | 24.8        | 23.3                | 24.8        | 23.3        | 24.8        |
| Females  | 26.2                  | 27.9        | 26.2                | 27.9        | 26.2        | 27.9        |
| <b>Asset split (%):</b>  | <b>2019</b>           | <b>2018</b> | <b>2019</b>         | <b>2018</b> | <b>2019</b> | <b>2018</b> |
| Equities   | 62.0                  | 67.0        | 62.0                | 67.0        | 62.0        | 67.0        |
| Property   | 13.0                  | 12.0        | 13.0                | 12.0        | 13.0        | 12.0        |
| Government bonds   | 3.0                   | 3.0         | 3.0                 | 3.0         | 3.0         | 3.0         |
| Corporate bonds  | 9.0                   | 12.0        | 9.0                 | 12.0        | 9.0         | 12.0        |
| Other  | 10.0                  | 4.0         | 10.0                | 4.0         | 10.0        | 4.0         |
| Cash   | 3.0                   | 2.0         | 3.0                 | 2.0         | 3.0         | 2.0         |
| Total market value of assets   | 100.0                 | 100.0       | 100.0               | 100.0       | 100.0       | 100.0       |
| Fair Value of fund assets  | 1,084                 | 998         | 4,030               | 3,872       | 5,114       | 4,870       |
| Present value of the defined benefit obligation  | (2,272)               | (1,907)     | (8,447)             | (7,201)     | (10,719)    | (9,108)     |
| Net defined benefit pension liability  | (1,188)               | (909)       | (4,417)             | (3,329)     | (5,605)     | (4,238)     |
| <b>Total Expenditure Recognised in the Statement of Financial Activities</b>   |                       |             |                     |             |             |             |
|  | 2019                  | 2018        | 2019                | 2018        | 2019        | 2018        |
| Current service cost (net of employee contributions)   | 79                    | 100         | 281                 | 347         | 370         | 447         |
| Past service cost  | 20                    | -           | 85                  | -           | 105         | -           |
| <b>Financing cost</b>  |                       |             |                     |             |             |             |
| Interest on net defined benefit liability/(asset)  | 24                    | 28          | 88                  | 100         | 112         | 128         |
| Pension expense  | 123                   | 128         | 464                 | 447         | 587         | 575         |
| <b>Analysis of Pension Finance Income</b>  |                       |             |                     |             |             |             |
| Expected return on pension scheme assets   | 27                    | 24          | 101                 | 92          | 128         | 116         |
| Interest on pension liabilities  | (51)                  | (52)        | (189)               | (192)       | (240)       | (244)       |
| Pension finance costs  | (24)                  | (28)        | (88)                | (100)       | (112)       | (128)       |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**27 Pension and Similar Obligations (continued)**

**Net movement on assets and liabilities**

|                                  |                |              |                |                |                |                |
|----------------------------------|----------------|--------------|----------------|----------------|----------------|----------------|
| B/fwd balance 1 September 2018   | (909)          | (1,067)      | (3,329)        | (3,890)        | (4,238)        | (4,957)        |
| Transferred balance              | -              | -            | -              | -              | -              | -              |
| Employer contribution            | 40             | 43           | 144            | 151            | 184            | 194            |
| Current service cost             | (79)           | (100)        | (291)          | (347)          | (370)          | (447)          |
| Past service cost                | (20)           | -            | (85)           | -              | (105)          | -              |
| Interest expense                 | (51)           | (52)         | (189)          | (192)          | (240)          | (244)          |
| Interest income on assets        | 27             | 24           | 101            | 92             | 128            | 116            |
| Settlements and curtailments     | -              | -            | -              | -              | -              | -              |
| Actuarial gains/(losses)         | (196)          | 243          | (768)          | 857            | (964)          | 1,100          |
| <b>Deficit at 31 August 2019</b> | <b>(1,188)</b> | <b>(909)</b> | <b>(4,417)</b> | <b>(3,329)</b> | <b>(5,605)</b> | <b>(4,238)</b> |

**27 Pension and Similar Obligations (continued)**

|  | Kingston Park Academy |              | Serlby Park Academy |              | Total         |              |
|--|-----------------------|--------------|---------------------|--------------|---------------|--------------|
|  | 2019                  | 2018         | 2019                | 2018         | 2019          | 2018         |
| <b>Movement in the present value of defined benefit obligations:</b> |                       |              |                     |              |               |              |
| B/fwd balance 1 September 2018                                       | 1,907                 | 2,013        | 7,201               | 7,409        | 9,108         | 9,422        |
| Transferred balance  | -                     | -            | -                   | -            | -             | -            |
| Current service cost   | 79                    | 100          | 291                 | 347          | 370           | 447          |
| Past service cost  | 20                    | -            | 85                  | -            | 105           | -            |
| Interest expense   | 51                    | 52           | 189                 | 192          | 240           | 244          |
| Employee contributions   | 13                    | 14           | 45                  | 48           | 58            | 62           |
| Actuarial Gains / (losses)   | 216                   | (206)        | 848                 | (719)        | 1,064         | (925)        |
| Benefits paid  | (14)                  | (66)         | (212)               | (76)         | (226)         | (142)        |
| Losses on curtailments   | -                     | -            | -                   | -            | -             | -            |
| Past service cost  | -                     | -            | -                   | -            | -             | -            |
| <b>At 31 August 2019</b>   | <b>2,272</b>          | <b>1,907</b> | <b>8,447</b>        | <b>7,201</b> | <b>10,719</b> | <b>9,108</b> |

|   | Kingston Park Academy |            | Serlby Park Academy |              | Total        |              |
|---|-----------------------|------------|---------------------|--------------|--------------|--------------|
|   | 2019                  | 2018       | 2019                | 2018         | 2019         | 2018         |
| <b>Movement in the fair value of fund assets:</b> |                       |            |                     |              |              |              |
| B/fwd balance 1 September 2018                    | 998                   | 946        | 3,872               | 3,519        | 4,870        | 4,465        |
| Transferred balance                               | -                     | -          | -                   | -            | -            | -            |
| Interest on income                                | 27                    | 24         | 101                 | 92           | 128          | 116          |
| Remeasurement Gains / (Losses)                    | 20                    | 37         | 80                  | 138          | 100          | 175          |
| Employer contributions                            | 40                    | 43         | 144                 | 151          | 184          | 194          |
| Employee contributions                            | 13                    | 14         | 45                  | 48           | 58           | 62           |
| Benefits paid                                     | (14)                  | (66)       | (212)               | (76)         | (226)        | (142)        |
| <b>At 31 August 2019</b>                          | <b>1,084</b>          | <b>998</b> | <b>4,030</b>        | <b>3,872</b> | <b>5,114</b> | <b>4,870</b> |

|                                 |           |           |            |            |            |            |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|
| <b>Actual return on assets:</b> | <b>47</b> | <b>61</b> | <b>181</b> | <b>231</b> | <b>228</b> | <b>292</b> |
|---------------------------------|-----------|-----------|------------|------------|------------|------------|

**History of asset values, present value of liabilities and surplus/ deficit:**

|                              |         |         |         |         |          |         |
|------------------------------|---------|---------|---------|---------|----------|---------|
| Fair value of assets         | 1,084   | 998     | 4,030   | 3,872   | 5,114    | 4,870   |
| Present value of liabilities | (2,272) | (1,907) | (8,447) | (7,201) | (10,719) | (9,108) |
| Deficit                      | (1,188) | (909)   | (4,417) | (3,329) | (5,605)  | (4,238) |

**History of experience gains and losses:**

|                                       |      |      |      |      |      |      |
|---------------------------------------|------|------|------|------|------|------|
| Experience gains and losses on assets |      |      |      |      |      |      |
| Amount                                | 20   | 37   | 80   | 138  | 100  | 175  |
| Percentage of assets                  | 1.8% | 3.7% | 2.0% | 3.6% | 2.0% | 3.6% |



**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019**

**27 Pension and Similar Obligations (continued)**

**North Yorkshire County Council Pension Fund (NYCCPF)**

| <b>Principal Actuarial Assumptions (%)</b>         | <b>The Grove Academy</b> |             |
|--|--------------------------|-------------|
|  | <b>2019</b>              | <b>2018</b> |
| Rate of increase in salaries                       | 3.3                      | 3.3         |
| Rate of increase for pensions in payment/inflation | 2.0                      | 2.0         |
| Discount rate for scheme liabilities               | 1.9                      | 2.8         |
| Inflation assumption (CPI)                         | 2.0                      | 2.0         |

**Commutation**

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

|                                  | <b>2019</b> | <b>2018</b> |
|----------------------------------|-------------|-------------|
| <b>Retiring today:</b>           |             |             |
| Males                            | 21.9        | 22.9        |
| Females                          | 25.1        | 26.4        |
| <br><b>Retiring in 20 years:</b> |             |             |
| Males                            | 23.6        | 25.1        |
| Females                          | 26.9        | 28.7        |

| <b>Asset split (%):</b>             | <b>2019</b>  | <b>2018</b>  |
|-------------------------------------|--------------|--------------|
| Equities                            | 57.9         | 60.7         |
| Property                            | 7.6          | 7.9          |
| Government bonds                    | 19.4         | 16.2         |
| Corporate bonds                     | -            | -            |
| Other                               | 10.5         | 14.9         |
| Cash                                | 4.6          | 0.3          |
| <b>Total market value of assets</b> | <b>100.0</b> | <b>100.0</b> |

|   |              |              |
|---|--------------|--------------|
| Fair Value of fund assets                       | 238          | 196          |
| Present value of the defined benefit obligation | (485)        | (333)        |
| <b>Net defined benefit pension liability</b>    | <b>(247)</b> | <b>(137)</b> |

**Total Expenditure Recognised in the Statement of Financial Activities**

|  | <b>2019</b> | <b>2018</b> |
|--|-------------|-------------|
| Current service cost (net of employee contributions) | 38          | 46          |
| Past service cost                                    | 13          |             |
| <b>Financing cost</b>                                |             |             |
| Interest on net defined benefit liability/(asset)    | 3           | 3           |
| Losses (gains) on curtailments                       | -           | -           |
| <b>Pension expense</b>                               | <b>54</b>   | <b>49</b>   |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

|  | <b>The Grove<br/>Academy</b> |               |
|--|------------------------------|---------------|
|  | <b>2019</b>                  | <b>2018</b>   |
| <b>Net movement on assets and liabilities</b>  |                              |               |
| B/fwd balance 1 September 2018   | (137)                        | (146)         |
| Employer contribution  | 24                           | 27            |
| Current service cost   | (38)                         | (46)          |
| Past service cost  | (13)                         | -             |
| Interest expense   | (9)                          | (7)           |
| Interest income on assets  | 6                            | 4             |
| Actuarial gains/(losses)   | (80)                         | 31            |
| <b>Deficit at 31 August 2019</b>   | <b>(247)</b>                 | <b>(137)</b>  |
| <br><b>Movement in the present value of defined benefit obligations:</b>               |                              |               |
| B/fwd balance 1 September 2018   | 333                          | 292           |
| Current service cost   | 38                           | 46            |
| Interest expense   | 9                            | 7             |
| Employee contributions   | 7                            | 8             |
| Actuarial (gain)/ loss   | 86                           | (19)          |
| Benefits paid  | (1)                          | (1)           |
| Past service cost  | 13                           | -             |
| <b>At 31 August 2019</b>   | <b>485</b>                   | <b>333</b>    |
| <br><b>Movement in the fair value of fund assets:</b>                                  |                              |               |
| B/fwd balance 1 September 2018   | 196                          | 146           |
| Interest income  | 6                            | 4             |
| Remeasurement gains/ (losses)  | 6                            | 12            |
| Employer contributions   | 24                           | 27            |
| Employee contributions   | 7                            | 8             |
| Benefits paid  | (1)                          | (1)           |
| <b>At 31 August 2019</b>   | <b>238</b>                   | <b>196</b>    |
| <br><b>Actual return on assets:</b>  | <br><b>12</b>                | <br><b>16</b> |
| <br><b>History of asset values, present value of liabilities and surplus/ deficit:</b> |                              |               |
| Fair value of assets   | 238                          | 196           |
| Present value of liabilities   | (485)                        | (333)         |
| <b>Deficit</b>   | <b>(247)</b>                 | <b>(137)</b>  |
| <br><b>History of experience gains and losses:</b>                                     |                              |               |
| Experience gains and losses on assets  |                              |               |
| Amount   | 6                            | 12            |
| Percentage of assets   | 2.5%                         | 6.1%          |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**27 Pension and Similar Obligations (continued)**

**Teeside Pension Fund**

| <b>Principal Actuarial Assumptions (%)</b>         | <b>Ingleby Manor<br/>Free School</b> |             |
|--|--------------------------------------|-------------|
|  | <b>2019</b>                          | <b>2018</b> |
| Rate of increase in salaries                       | 3.0                                  | 3.0         |
| Rate of increase for pensions in payment/inflation | 2.0                                  | 2.0         |
| Discount rate for scheme liabilities               | 1.9                                  | 2.8         |
| Inflation assumption (CPI)                         | 2.0                                  | 2.0         |

**Commutation**

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

|                       | <b>2019</b> | <b>2018</b> |
|-----------------------|-------------|-------------|
| Retiring today:       |             |             |
| Males                 | 21.9        | 22.9        |
| Females               | 23.8        | 25.0        |
| Retiring in 20 years: |             |             |
| Males                 | 23.6        | 25.1        |
| Females               | 25.7        | 27.3        |

| <b>Asset split (%):</b>             | <b>2019</b>  | <b>2018</b>  |
|-------------------------------------|--------------|--------------|
| Equities                            | 76.4         | 73.0         |
| Property                            | 8.4          | 7.7          |
| Government bonds                    | -            | -            |
| Corporate bonds                     | -            | -            |
| Other                               | 2.5          | 1.3          |
| Cash                                | 12.7         | 18.0         |
| <b>Total market value of assets</b> | <b>100.0</b> | <b>100.0</b> |

|   |              |              |
|---|--------------|--------------|
| Fair Value of fund assets                       | 424          | 295          |
| Present value of the defined benefit obligation | (794)        | (410)        |
| <b>Net defined benefit pension liability</b>    | <b>(370)</b> | <b>(115)</b> |

**Total Expenditure Recognised in the  
Statement of Financial Activities**

|  | <b>2019</b> | <b>2018</b> |
|--|-------------|-------------|
| Operating cost                                       |             |             |
| Current service cost (net of employee contributions) | 184         | 141         |
| Past service cost                                    | 42          | -           |
| Financing cost                                       |             |             |
| Interest on net defined benefit liability/(asset)    | 2           | 1           |
| <b>Pension expense</b>                               | <b>228</b>  | <b>142</b>  |

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

27 Pension and Similar Obligations (continued)

|  | Ingleby Manor<br>Free School |              |
|--|------------------------------|--------------|
|  | 2019                         | 2018         |
| <b>Net movement on assets and liabilities</b>                                      |                              |              |
| B/fwd balance 1 September 2018   | (115)                        | (65)         |
| Transferred balance  | -                            | -            |
| Employer contribution  | 99                           | 67           |
| Current service cost   | (184)                        | (141)        |
| Past service cost  | (42)                         | -            |
| Interest expense   | (12)                         | (6)          |
| Interest income on assets  | 10                           | 5            |
| Actuarial gains/(losses)   | -                            | -            |
| Actuarial (losses) / gains   | (126)                        | 25           |
| <b>Deficit at 31 August 2019</b>   | <u>(370)</u>                 | <u>(115)</u> |
| <b>Movement in the present value of defined benefit obligations:</b>               |                              |              |
| B/fwd balance 1 September 2018   | 410                          | 192          |
| Current service cost   | 184                          | 141          |
| Interest expense   | 12                           | 6            |
| Employee contributions   | 35                           | 25           |
| Actuarial (gain)/ loss   | 130                          | (19)         |
| Benefits paid  | -                            | -            |
| Past service cost  | 42                           | -            |
| Net benefits paid out  | (19)                         | 65           |
| <b>At 31 August 2019</b>   | <u>794</u>                   | <u>410</u>   |
| <b>Movement in the fair value of fund assets:</b>                                  |                              |              |
| B/fwd balance 1 September 2018   | 295                          | 127          |
| Interest income on assets  | 10                           | 5            |
| Remeasurement gains/ (losses)  | 4                            | 6            |
| Employer contributions   | 99                           | 67           |
| Employee contributions   | 35                           | 25           |
| Net benefits paid out  | (19)                         | 65           |
| <b>At 31 August 2019</b>   | <u>424</u>                   | <u>295</u>   |
| <b>Actual return on assets:</b>  | <u>14</u>                    | <u>11</u>    |
| <b>History of asset values, present value of liabilities and surplus/ deficit:</b> |                              |              |
| Fair value of assets   | 424                          | 295          |
| Present value of liabilities   | <u>(794)</u>                 | <u>(410)</u> |
| Surplus/ (deficit)   | <u>(370)</u>                 | <u>(115)</u> |
| <b>History of experience gains and losses:</b>                                     |                              |              |
| Experience gains and losses on assets  |                              |              |
| Amount   | 4                            | 6            |
| Percentage of assets   | 0.9%                         | 2.0%         |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**28 Related Party Transactions**

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

The following were directors of both Delta Academies Trust and Delta Academies Charitable Trust (DACT).

|          | Delta Academies Trust<br>Director | DACT<br>Director |
|----------|-----------------------------------|------------------|
| Paul Tam | from 29/02/2016                   | from 10/06/2016  |

DACT is a charitable organisation that fund raises and offers grants to students at the Delta Academies Trust group of academies in the pursuit of excellence. There have been limited transactions between Delta Academies Trust and DACT during the year as grants are paid directly to the applicants. Transactions totalling £1,150 were paid from DACT to Delta Academies Trust during the year for the period where there were common directors (2018: £2,834) and transactions totalling £50 were made from Delta Academies Trust to DACT (2018: £nil).

No other related party transactions took place in the period of account other than certain Directors' remuneration and expenses already disclosed in note 9.

**29 Subsidiary Undertakings**

Delta Academies Trust owns 100% of the issued ordinary share capital of Delta Academies Services Limited, a company incorporated in England and Wales. The subsidiary is engaged in the supply of services to education. Its financial year ends on 31 August 2019.

The accounts of the subsidiary do not justify consolidation, as Delta Academies Services Limited is not deemed to be material to the organisation as a whole. The materiality of the trading company will be reviewed on an annual basis, thus ensuring that the financial statements continue to be prepared using best accounting practice.

The trading results of Delta Academies Services Limited for the year to 31 August were as follows:

|                | 2019<br>£ | 2018<br>£ |
|----------------|-----------|-----------|
| Turnover       | 8,666     | 1,463     |
| Trading Profit | 4,452     | 7,245     |
| Reserves       | 5,897     | 5,896     |

Gift aid amounting to £4,451 (2018: £nil) was distributed to Delta Academies Trust by Delta Academies Services Limited and is shown in the notes to the financial statements. The net assets of the subsidiary are £5,897 (2018: £5,896).

Administration services provided by Delta Academies Trust to Delta Academies Services Limited (100% subsidiary) during the year totalled £2,546, (2018: credit £7,269). At the year end amounts owed by Delta Academies Services Limited to Delta Academies Trust were £4,451 (2018: £nil).

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**30 Transfers In**

As at 1 November 2018 and the 1 January 2019 respectively, all activities and operations of The Laurel Academy (Previously known as Mexborough Academy) transferred from Wakefield City Academies Trust and Southmere Primary Academy transferred from Northern Education Trust, to Delta Academies Trust. All assets and liabilities transferred to Delta Academies Trust at their net realisable value at the date of transfer. Net realisable value is considered to represent their fair value.

The following tables set out the fair values of the identifiable assets and liabilities at the year end:

**The Laurel Academy (1 November 2018)**

|   | <b>Unrestricted<br/>Funds<br/>£000</b> | <b>Restricted<br/>General<br/>Fund<br/>£000</b> | <b>Restricted<br/>Fixed<br/>Asset Fund<br/>£000</b> | <b>Total<br/>£000</b> |
|---|--|---|---|-----------------------|
| Tangible fixed assets                   |  |   |   |                       |
| Leasehold land and buildings            |  |   | 14,644  | 14,644                |
| Other tangible fixed assets             |  |   | 30  | 30                    |
| LGPS pension (deficit)                  |  | (2,567)   |   | (2,567)               |
| Other identified assets and liabilities |  |   | (15,681)  | (15,681)              |
| <b>Total Funds</b>                      | -                                      | (2,567)   | (1,007)   | (3,574)               |

|                                       | <b>Value reported<br/>by transferring<br/>trust<br/>£000</b> | <b>Fair value<br/>adjustments<br/>£000</b> | <b>Transfer In<br/>recognised<br/>£000</b> |
|---------------------------------------|--|--|--|
| <b>Tangible fixed assets</b>          |  |  |  |
| Leasehold land and buildings          | 29,551   | (14,907)                                   | 14,644                                     |
| Furniture and equipment               | 52   | (52)                                       | -  |
| Computer equipment                    | 34   | (4)  | 30   |
| <b>Creditors</b>                      |  |  |  |
| Finance Lease                         | -  | (15,681)                                   | (15,681)                                   |
| <b>Pensions</b>                       |  |  |  |
| Pensions - pension scheme liabilities | (2,567)  | -  | (2,567)                                    |
| <b>Net assets / (liabilities)</b>     | 27,070   | (30,644)                                   | (3,574)                                    |

The finance lease liability on the leasehold land and buildings transferred in was greater than the asset to which it related at the date of transfer, the impact of this is recognised in note 7 as a capital deficit on transfer of £1,037,000.

DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2019

Southmere Primary Academy (1 January 2019)

|   | Unrestricted<br>Funds<br>£000 | Restricted<br>General<br>Fund<br>£000 | Restricted<br>Fixed<br>Asset Fund<br>£000 | Total<br>£000 |
|---|-------------------------------|---------------------------------------|---|---------------|
| Tangible fixed assets                   |                               |                                       |   |               |
| Leasehold land and buildings            | -                             | -                                     | 3,240                                     | 3,240         |
| Other tangible fixed assets             | -                             | -                                     | 39  | 39            |
| LGPS pension (deficit)                  | -                             | (504)                                 | -   | (504)         |
| Other identified assets and liabilities | -                             | 58                                    | -   | 58            |
| <b>Total Funds</b>                      | <b>-</b>                      | <b>(446)</b>                          | <b>3,279</b>                              | <b>2,833</b>  |

|                                       | Value reported<br>by transferring<br>trust<br>£000 | Fair value<br>adjustments<br>£000 | Transfer in<br>recognised<br>£000 |
|---------------------------------------|--|-----------------------------------|-----------------------------------|
| <b>Tangible fixed assets</b>          |  |                                   |                                   |
| Leasehold land and buildings          | 2,790  | 450                               | 3,240                             |
| Furniture and equipment               | 132  | (93)                              | 39                                |
| Computer equipment                    | 7  | (7)                               | -                                 |
| <b>Current assets</b>                 |  |                                   |                                   |
| Cash in bank and in hand              | 15   | 43                                | 58                                |
| <b>Pensions</b>                       |  |                                   |                                   |
| Pensions - pension scheme liabilities | (504)  | -                                 | (504)                             |
| <b>Net assets / (liabilities)</b>     | <b>2,440</b>                                       | <b>393</b>                        | <b>2,833</b>                      |

**DELTA ACADEMIES TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2019

**31 Conversion to an Academy Trust**

The following schools converted to academy trust status under the Academies Act 2010 on the dates as set out

| Predecessor School          | Academy                      | Date       | Local Authority                                |
|-----------------------------|------------------------------|------------|--|
| Darton College              | Darton Academy               | 01/10/2018 | Barnsley Metropolitan Borough Council          |
| Greengates Primary School   | Greengates Primary Academy   | 01/12/2018 | City of Bradford Metropolitan District Council |
| Lower Fields Primary School | Lower Fields Primary Academy | 01/12/2018 | City of Bradford Metropolitan District Council |

All the operations and assets and liabilities were transferred to Delta Academies Trust from the local authorities listed above for £nil consideration.

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

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

|                                      | Unrestricted<br>Funds<br>£000 | General<br>Fund<br>£000 | Fixed<br>Asset Fund<br>£000 | Total<br>£000 |
|--------------------------------------|-------------------------------|-------------------------|-----------------------------|---------------|
| <b>Tangible fixed assets</b>         |                               |                         |                             |               |
| Leasehold buildings                  | -                             | -                       | 25,906                      | 25,906        |
| Other tangible fixed assets          | -                             | -                       | -                           | -             |
| Budget surplus/(deficit) on LA funds | 253                           | -                       | -                           | 253           |
| Budget surplus on LA capital funds   | -                             | -                       | 11                          | 11            |
| Budget surplus on other school funds |                               | 14                      |                             | 14            |
| LGPS pension (deficit)               | -                             | (3,117)                 | -                           | (3,117)       |
| Other identified liabilities         |                               |                         | (5,990)                     | (5,990)       |
| <b>Net assets / (liabilities)</b>    | <b>253</b>                    | <b>(3,103)</b>          | <b>19,927</b>               | <b>17,077</b> |

The above net assets include £278,000 that were transferred as cash.

All leasehold properties transferred from local authorities were transferred on 125 year lease agreements. Assets transferred on conversion included within the Statement of Financial Activities amounted to £25,906,000. (Darton Academy £20,987,000, Greengates Primary Academy £1,797,000 and Lower Fields Primary Academy £3,122,000).

Surplus on LA funds of £253,000 and other school funds £14,000 were transferred on conversion for Darton Academy and surplus on LA capital funds was transferred on conversion £4,000 for Greengates Primary Academy and £7,000 for Lower Fields Primary Academy.

LGPS pension scheme deficits were transferred as follows, £2,258,000 for Darton Academy, £571,000 for Greengates Primary Academy and £288,000 for Lower Fields Primary Academy.

The Building at Darton Academy was transferred on a PFI agreement with a finance lease liability of £5,990,000, shown in the above table under other identified liabilities.



DELTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 August 2019

32 Teaching school trading account

|  | 2019              | 2019                           | 2018              | 2018                           |
|--|-------------------|--------------------------------|-------------------|--------------------------------|
|  | £'000             | Total<br>£'000                 | £'000             | Total<br>£'000                 |
| <b>Income</b>                                |                   |                                |                   |                                |
| <b>Funding for Educational Operations</b>    |                   |                                |                   |                                |
| Other DfE/ ESFA income                       | 84                |                                | 89                |                                |
| Other government                             | -                 |                                | 1                 |                                |
|  | <u>          </u> | 84                             | <u>          </u> | 90                             |
| <b>Other Trading Activities</b>              |                   |                                |                   |                                |
| Other income                                 | 2                 |                                | 1                 |                                |
|  | <u>          </u> | 2                              | <u>          </u> | 1                              |
| <b>Total Income</b>                          |                   | <u>          </u><br><b>86</b> |                   | <u>          </u><br><b>91</b> |
| <b>Expenditure</b>                           |                   |                                |                   |                                |
| <b>Direct costs</b>                          |                   |                                |                   |                                |
| Teaching staff costs                         | 55                |                                | 61                |                                |
| <b>Total direct costs</b>                    |                   | 55                             |                   | 61                             |
| <b>Support costs</b>                         |                   |                                |                   |                                |
| Support staff costs                          | 21                |                                | 21                |                                |
| Professional services                        | 2                 |                                | 1                 |                                |
| Printing, postage and stationery             | -                 |                                | 1                 |                                |
| Licences and subscriptions                   | 2                 |                                | 1                 |                                |
| Training                                     | -                 |                                | 1                 |                                |
| Travel and subsistence                       | 2                 |                                | 1                 |                                |
| <b>Total other costs</b>                     |                   | 27                             |                   | 26                             |
| <b>Total Expenditure</b>                     |                   | <u>          </u><br><b>82</b> |                   | <u>          </u><br><b>87</b> |
| Surplus from all sources                     |                   | 4                              |                   | 4                              |
| Teaching school balances at 1 September 2018 |                   | 4                              |                   | -                              |
| Teaching school balances at 31 August 2019   |                   | <u>          </u><br><b>8</b>  |                   | <u>          </u><br><b>4</b>  |

