

The Gallery Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2020

Company Registration Number: 08334718 (England and Wales)

Period of account: 1 September 2019 – 31 August 2020

The Gallery Trust

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Members

Ms H Brierley
Ms J Dyson
Mr R Harvey
Dr A Kay
Mrs S Rodway

Trustees

Mr K Burrell (appointed 24/2/2020)
Mr S King * +
Ms K Moss (appointed 04/12/2019) *+
Mrs S Rodway, Chair (resigned 18/12/2020) * +
Mr C Scrivener, (Chair from 19/12/20) *+
Mrs K Shaw (resigned 18/12/20)
Mr J Shryane (appointed 24/2/2020)
Mr G Thomas (resigned 04/10/2020) *+
Mrs M K Willett * +
Mr M Willis *

* Member of Finance and Personnel
Committee

+ Member of Audit and Risk Committee

Clerk

Mrs S Anderson

Company Secretary

BlakeLaw Secretaries Limited

The Gallery Trust
Reference and Administrative Details
Year Ended 31 August 2020

Trust Executive Team

Chief Executive Officer
Head of Shared Services
Chief Operating Officer
Finance Director
Director of School
Director of SEND and School Improvement
Director of SEND and School Improvement
Estates and IT Manager

Mrs M K Willett
Mrs J Horne
Mrs S Hunston
Mrs L Riordan
Mr J Riches (appointed 1 January 2020)
Mrs J Jones
Mrs C Roberts
Mr C Woodward

Company Name

The Gallery Trust

Academies:

Iffley Academy

Head Teacher:
Mr T Procter-Legg

Bardwell School

Acting Head Teacher:
Mr M Selsdon

Northern House Academy
(joined The Gallery Trust 1 February 2020)

Acting Head of School:
Mrs B Holmes

Orion Academy
(joined The Gallery Trust 1 February 2020)

Head Teacher:
Mrs L Smith

Springfield School
(joined The Gallery Trust 1 July 2020)

Head Teacher:
Mrs E Lawley

Principal and Registered Office

The Gallery Trust
Iffley Turn
Oxford
OX4 4DU

Company Registration Number

08334718 (England and Wales)

Independent Auditor

Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Bankers

Lloyds Bank Plc
Carfax
Oxford
OX1 4AA

Solicitors

Blake Morgan LLP
Seacourt Tower
West Way
Oxford
OX2 0FB

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

At the end of the 2019 / 2020 academic year, the Trust operated 5 special academies. The Trust had a roll of 252 in the school census on 16 January 2020, when there were 2 special academies in the Trust.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of The Gallery Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as The Gallery Trust.

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

Members' Liability

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

Trustees' Indemnities

There were no provisions required for third party indemnity. In accordance with normal commercial practice, The Gallery Trust purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

Method of Recruitment and Appointment or Election of Trustees

The Gallery Trust's Memorandum and Articles of Association are the primary governing documents of the Trust. The Articles of Association require that there are at least three Members and up to ten Trustees. Details of The Gallery Trust's Members and Trustees during the reporting period are provided on page 1. The Trust has five members, in accordance with the Department for Education's recommendation. The Trust currently has seven Trustees. The appointment of Trustees is ratified by the Members.

All Trustees are required to confirm that they comply with appropriate statutory eligibility regulations for their role and undertake an Enhanced Disclosure and Barring Check. Members, Trustees and Governors are required to sign the Trust's Code of Conduct annually and to comply with the requirements of the Trust's Register of Business Interests.

Policies and Procedures Adopted for the Induction and Training of Trustees

In order to support effective governance, an induction and training programme is in place for Trustees. External training is obtained from the National Governance Association, Oxfordshire County Council, the Trust's legal advisers Blake Morgan LLP, and other providers. Training and induction is organised by the Board's professional clerk and is individually tailored to meet the needs of new Trustees. Copies of policies, accounts, minutes, guidance, strategic plans and other documents relevant to the role are provided. Governor Hub is used to distribute information. As a result, Trustees have a knowledge and understanding of the Trust's strategic vision and aims, day-to-day operation and management, their roles, responsibilities and accountabilities within the governance structure, and the duties of a Trustee and a Director. It is also important that Trustees gain an awareness of the nature of students' Special Educational Needs and Disabilities (SEND) and how the Trust, as a Special Trust, differs from mainstream education providers. The Board of Trustees gains insights into the operation of academies through pre-arranged visits to schools, including learning walks, meetings with staff, attendance at social events, such as assemblies, and information obtained through attendance at Board and committee meetings. It is noted that because of the lack of opportunity to undertake a thorough induction due to the restrictions imposed by Covid-19, two new Trustees, Mr Shryane and Mr Burrell, who were appointed to the Board in February 2020, did not take up their places on the Board until September 2020. Mr Shryane, Mr Burrell and Ms Moss (appointed in December 2019) will complete their induction when Covid-19 restrictions are relaxed.

Following an assessment of new Trustees' areas of experience and expertise, Trustees are invited to join appropriate committees.

Organisational Structure

The management structure of the Trust consists of Members, Trustees, Chief Executive Officer, Trust central executive team, and committees including Local Governing Bodies.

Michelle Kay Willett is the Chief Executive Officer and Accounting Officer for the Trust.

Members have a constitutional role in the Trust; Trustees have a strategic role across the Trust: Governors of each school have operational responsibilities for teaching and learning in schools. Trustees and Governors can delegate responsibilities to committees in accordance with the Scheme of Delegation.

The Scheme of Delegation specifies the structure for strategic and operational decision-making, and authorisation processes for governance, HR and finance. The Trust is currently reviewing the Scheme of Delegation. Adjustments to the Scheme of Delegation have been made during the year under review in response to the Covid-19 pandemic, which has included the suspension of the Local Governing Bodies.

Members

Members have a constitutional role in the Trust. In order to monitor the effectiveness of the Board of Trustees and to ensure that the Board is upholding the vision and values of the Trust, the Members demonstrate competences in governance, education, risk management and strategic leadership within its membership. The Members hold the Board to account for the outcomes of the Trust. In order to ensure Members are fully cognisant with Trust business, strategy and operation, Members receive minutes from Trustee meetings. Members meet with the Chief Executive Officer and Chair of Trustees to receive information regarding the performance of the Trust, and meet annually with Trustees at the Annual General Meeting.

Specific duties of the Members:

- the subscribers to the Trust's Memorandum of Association (where they are founding members) may amend the Articles of Association (the articles include a definition of the Trust's charitable objects and governance structure) subject to any restrictions in the Articles or in the Trust's Funding Agreement or charity law. The Funding Agreement is the contract between the Secretary of State for Education and the Trust that sets out the terms on which the Trust is funded
- appoint and remove Trustees
- appoint the Trust's auditors and adopt the Trust's audited annual accounts (subject to the Companies Act).

Trustees

The Trustees are responsible for: ensuring clarity of vision, ethos and strategic direction; holding senior leaders to account for the educational performance of the organisation and its pupils; the performance management of staff; overseeing the financial performance of the organisation and making sure that funding is well spent. The Trustees drive the management of the Trust and oversee the financial performance of the Trust. The Trustees comply with Government, Department for Education and Education and Skills Funding Agency requirements, company law, and charity law. The Trustees have legal responsibilities through the Memorandum and Articles of Association of the Trust, under company law as Directors, and under charity law as Trustees.

Specific Duties of the Board of Trustees:

- ensures the quality of the Trust's educational offer, overseeing standards and outcomes:
 - monitors and evaluates the progress of strategic objectives within schools' Raising Achievement Plans and the Trust's Development Plan
 - oversees key performance data
- recommends changes to the Articles of Association and Funding Agreement to the Members
- ensures that the Trust operates within the Funding Agreement
- approves changes to the Scheme of Delegation
- confirms the election of Chair and Vice Chair of Local Governing Bodies
- manages the Trust's finances and property including:
 - compliance with the Academies Financial Handbook. The Handbook sets out the financial management, control and reporting requirements that apply to all Academy Trusts. It describes a financial framework for trusts that focuses on principles rather than detailed guidance, and reflects their accountability to Parliament and to the public.
 - approval of the Trust's annual 3-year revenue and capital budget on the recommendation of the Finance and Personnel Committee
 - recommendations to the Members regarding the annual reports and accounts for filing at Companies House
- oversees risk management
- participates in the recruitment of senior staff
- receives and considers reports from committees
- appraises the Chief Executive Officer

Chief Executive Officer

The Chief Executive Officer is the Accounting Officer, has overall responsibility for the Trust's finances and financial effectiveness. The Chief Executive Officer is an ex-officio Trustee.

The Chief Executive Officer is held accountable by Trustees and Members for the performance of the Trust, and the outcomes of schools in the Trust. The Chief Executive Officer leads strategic school improvement, working in collaboration with senior leaders. As a National Leader of Education, the Chief Executive Officer maintains an overview of the national education agenda and supports school leaders to focus on outcomes for pupils in their individual schools.

Committees

The Trust has committees with membership comprising of Trustees and Governors, attended by senior staff.

Committees provide authoritative and knowledgeable guidance, reports and data to the Board of Trustees. The following committees are in place:

- Local Governing Bodies: it is noted that Local Governing Bodies were suspended by direction of the Board during the Covid-19 pandemic
- Finance and Personnel
- Audit and Risk
- Health and Safety: the committee was suspended by direction of the Board during the Covid-19 pandemic, with the Board assuming responsibility for Health and Safety
- CEO Appraisal

Local Governing Bodies convene their own committees.

Other committees are convened as and when necessary. These include Pay, Head Teacher Appraisal, Staff Discipline, Pupil Discipline and Discipline Appeal Committees.

Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting the pay and remuneration of the Trust's key management personnel are reviewed in accordance with Education and Skills Funding Agency (ESFA) guidance by the Finance and Personnel Committee, and approved by the Trustees. The Trust follows the pay arrangements for maintained schools in England and Wales for teachers and for support staff. The Trust's teachers' pay policy is based on the national agreed pay scale as outlined in the School Teachers Pay and Conditions Document (STPCD). The Trust adheres to Local Government pay arrangements for support staff (Green Book) and follows the Local Government pay spine.

The only Trustee to receive remuneration is the Chief Executive Officer using the arrangement detailed above. This remuneration is only received solely in respect of services provided in undertaking the role of Chief Executive Officer under a contract of employment, and not as a Trustee.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.4 The cost is reimbursed by the Oxfordshire Facilities Time Budget

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	1 (working externally to the Trust)
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	£6,734,395.50
Provide the percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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Related Parties and other Connected Charities and Organisations

The Gallery Trust is a Multi Academy Trust. The Trust is not currently linked to other organisations and has no subsidiary companies. Details of related parties and transactions during the year are set out in notes 12 and 25.

Engagement with employees (including disabled persons)

The Gallery Trust recognises that its strongest asset is its workforce. A skilled, qualified, diverse and engaged workforce is critical to achieve the Trust's objectives.

The Trust strives to create an open culture throughout all its establishments which is in accordance with its vision and values. Respect and trust are core values in the Trust and these principles underpin interactions between staff at all levels of the organisation. The acknowledgement of the value of engaging staff through collaboration and communication is embedded. The mechanisms for keeping staff informed on matters of concern include regular meetings of whole staff groups (e.g. daily and weekly staff meetings), within cohorts (e.g. specialist groups within the staff body), with peers (e.g. meetings between Head Teachers), sharing information on operational initiatives and strategic objectives (e.g. Raising Achievement Plans), and communications between line managers and staff, including appraisal meetings. During the period affected by Covid-19, Head Teachers have been particularly vigilant in working consultatively and collaboratively with staff in order to support wellbeing and health and safety.

Staff across the establishments meet regularly to share information, to work together on common themes, and to enable staff to become involved in wider Trust activities beyond their own schools.

The Trust executive team meet frequently with senior leaders in schools, and the CEO has regular scheduled meetings with Head Teachers.

During the pandemic, the majority of meetings took place online.

The Trust has positive relationships with trade unions, and all trade unions representing staff in the Trust are recognised. During Covid-19, thorough consultation with unions continues to take place to seek feedback on the detailed risk assessments required to manage Health and Safety risks on school sites.

The Trust executive team believes that individual interaction with staff is an important way to develop understanding of the circumstances in which staff work. Before Covid-19, the Trust executive team were visiting all establishments in the Trust to ensure that they remain in touch with operational challenges, to meet staff, and to celebrate successes and achievements.

While visits from the Board of Trustees have been suspended during Covid-19, the Trustees recognise the need to visit sites so they can meet staff, understand the context in schools, extend their knowledge of SEND, and use this awareness to inform their decision making. During Covid-19, the Chair and Vice Chair of Trustees participated in frequent conference calls with Head Teachers and the executive team, to offer their advice, support, challenge and guidance, and to endorse the executive team's decision making.

The Trust will continue to expand its existing network of communications to enhance a listening culture and to foster relationships at all levels of the organisation.

The Trust invests in training and CPD, recognising that the personal development of employees is a key factor in the organisation's strategy for success. The Trust strives to be a responsible employer in its approach to the pay and benefits for employees, and observes the School Teachers' Pay and Conditions Document for teachers and the Green Book for support staff. The health, safety and wellbeing of employees is a primary consideration in deciding strategies and approaches. The Trust has comprehensive health and safety policies, induction, and training programmes. The Trust has an active redeployment policy, which provides the opportunity for staff to move across establishments on a permanent or seconded basis.

During Covid-19, employees who could work from home were supported to do so by line managers, who ensured that their wellbeing was maintained while working remotely. A flexible approach remains in place to support employees who may experience personal and wellbeing issues, or have caring responsibilities.

The Trust is committed to employing disabled people and acknowledges the benefits of employing disabled staff as this increases the number of applicants available; creates a diverse workforce; and brings additional skills. The Trust also recognises that the benefits of retaining an experienced and skilled employee who acquires an impairment during employment usually far exceeds any possible disadvantages of retention. Employing disabled people is embedded within the Trust's vision and values and this ethos is applied throughout the organisation. The Trust's

Safer Recruitment policy ensures high standards of Safeguarding and removes the risk of discrimination in the recruitment process.

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

It is vital for the Trust to operate effective business relationships with a wide range of suppliers and contractors to ensure the needs of establishments are met efficiently and in accordance with value for money principles. All supplier-related activity is managed in line with statutory and regulatory guidance, including the Academies Financial Handbook, the Funding Agreement and internal policies, e.g. Internal Financial Regulations, Procurement and Tendering. All orders are placed through the Trust's financial software (PS Financials) with existing suppliers, and approval is obtained when new suppliers are added. Contracts are managed closely by staff to ensure value for money and effective services, and the Trust requires regular verbal and written reports from contractors to monitor and evaluate performance. Service Level Agreements and GDPR agreements are required to be completed before contracts are approved.

An important part of the Trust's culture is the promotion of high legal, ethical, environment and employee relations standards within the organisation and amongst suppliers.

All procurement activities follow statutory guidance, and tenders for large contracts include a due diligence process, scrutiny of data security, corporate responsibility, value for money, standards, and any potential reputational issues.

Objectives and Activities

Objects and Aims

The main objectives and aims of The Gallery Trust are:

- to continue to build a community of special schools which meets the needs of all cohorts of SEND pupils in Oxfordshire, providing outstanding education and support for pupils within establishments
- to consolidate the measured, sustainable and considered expansion of the Trust through
 - welcoming established special schools into the Trust, including those which require sponsorship
 - opening new free special schools
 - considering other opportunities which may arise in the county which promote positive outcomes for pupils with SEND
- to secure improvements to the Trust's school environments, ensuring that all learners have access to specialist resources and learning spaces which promote positive engagement in learning.

The vision of the Trust is:

- commitment to special education - striving to provide the best specialist educational learning experiences for all
- opportunities for all to learn - ensuring the staff and student community continue learning pathways which enhance their lives
- genuine respect and value - making excellent relationships which promote trust, confidence and engagement, and provide safe learning spaces

Objectives, Strategies and Activities

Objectives and activities of The Gallery Trust during 2019 – 2020 included:

- continuation of the expansion of the Trust
- consolidating the Trust's position as a strategic lead in the provision of outstanding education and support for students with SEND throughout Oxfordshire, strengthening the Trust's ability to influence SEND policy and strategy
- consolidating the collaborative and constructive relationships with key stakeholders, including the Department for Education, the Regional Schools Commissioner's Office, and Oxfordshire County Council
- engagement with planners and builders for the Trust's new builds, ensuring that new environments are inspirational, creative and provide the best possible accommodation for pupils and staff
- support for all establishments in the Trust with school improvement and business services
- focussed support for all establishments in the Trust during the Covid-19 pandemic, providing advice and guidance on areas including Health and Safety, leadership, HR, staff wellbeing, absence, finance and risk.

Public Benefit

The Trustees of The Gallery Trust confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The primary focus of the activities of The Gallery Trust is to advance the education of students with Education, Health and Care Plans throughout the county of Oxfordshire. The Trust has links with all Oxfordshire special schools, and the Chief Executive Officer, and Head Teachers of schools in the Trust, are members of the Oxfordshire Association of Special School Head Teachers.

Underlying this focus is the aim of contributing to the public good by enhancing the lives of children who have special educational needs and disabilities, and providing support to their families.

Students' social, moral, spiritual and cultural education underpins curriculum frameworks. Students have regular opportunities to engage on a local, national and global level to think about wider issues e.g. poverty, disability, discrimination, equality and the environment. This maximises students' potential to develop into independent and confident citizens who respect the beliefs of others, and who can make a positive and meaningful contribution to their local community and society as a whole.

The Trust emphasises awareness of multi-cultural values, an understanding and acceptance of diversity and a commitment to equal opportunities, throughout all its activities. The Trust's Safer Recruitment policy ensures that applications for employment from people with disabilities are welcomed and processed with positive consideration when essential criteria are met.

Strategic Report

Achievements and Performance

The Trust is pleased to record a number of achievements in the year under review. The achievements are particularly noteworthy considering the impact of Covid-19. These include:

- the Trust worked collaboratively and supportively with all senior leaders across settings in dealing with the challenges of Covid-19 throughout the period of lockdown. All Trust schools remained partially open throughout the first UK lockdown, offering emergency care and support to pupils and families: a considerable achievement in view of the complex challenges presented by the pandemic
- welcoming Springfield School as an academy convertor into the Trust on 1 July 2020
- welcoming Orion Academy (formerly Northfield School) as a sponsor academy into the Trust on 1 February 2020
- welcoming Northern House Academy (formerly Northern House School) into the Trust on 1 February 2020. Northern House Academy was transferred into The Gallery Trust from Northern House School Academy Trust
- planning and preparation to open a new satellite provision of Orion Academy, The Grove@Longford Park, for 8 students on 1 September 2020.
- continuing to work on the pre-opening phase of Bloxham Grove Academy with an anticipated opening date in 2022
- a successful application to open a new free special school in Didcot with an anticipated opening date in 2023/24
- the successful move of Iffley Academy into new buildings during the summer of 2020
- planning and preparation for the conversion of Mabel Prichard School, scheduled to join The Gallery Trust on 1 November 2020
- a successful application for Department for Education Trust Capacity Funding, which brought £150,000 funding into the Trust
- a successful application for the Condition Improvement Fund to renovate and refurbish the pool plant room at Bardwell School
- planning and preparation for a £1.7 million extension at Bardwell School, facilitating a growth in the school roll and increasing pupil funding

Key Performance Indicators

The Trust's Key Performance Indicators for 2020 – 2021 are:

- to support all settings in dealing with the challenges presented by Covid-19 focussing on providing constructive and operational advice and guidance to Head Teachers to ensure pupils and staff feel safe and secure at a time of uncertainty and instability
- to provide effective support to Head Teachers, acknowledging the strains imposed by Covid-19 and the threats to the health and wellbeing of pupils and staff: prioritising objectives and helping senior leaders to focus on keeping their settings full or partially open throughout the pandemic, promoting staff and pupil attendance, whilst recognising how difficult this aim is
- to welcome Mabel Prichard Special School in the Trust as an academy convertor on 1 November 2020
- to commence due diligence with John Watson School, with the objective of bringing the school into the Trust in 2021/2022
- to engage with the Department for Education regarding plans to open a free special school in Didcot in 2023/2024 and to enter into the pre-opening planning stage
- continue to engage with planning and preparation for the opening of Bloxham Grove Academy in 2022
- to ensure that the Trust's involvement with new school builds, such as at Orion Academy, results in environments which meet the needs of SEND cohorts
- to consolidate the Trust's financial situation in order to provide stability and security: to engage with key stakeholders to ensure that funding for SEND pupils is appropriate and meets needs
- to further refine the Trust's approach to school improvement seeking to
 - continually improve the educational provision across the Trust, with a positive impact on student achievement and progress
 - support converter academies to retain their Ofsted categories of 'Outstanding' or 'Good'
 - acknowledge the additional needs of schools categorised as inadequate, and provide the significant resources, support and intervention required by these schools to reduce risk and support improvement
 - provide effective leadership for all settings, adding value, challenge and support
- to consolidate a robust approach towards statutory compliance in areas including Safeguarding, Health and Safety, curriculum, financial management and Data Protection through support, self-assessment and self-evaluation, which is moderated and supported by the executive team
- to continue to work collaboratively with Oxfordshire County Council, local partnerships, the DfE, ESFA and the Regional Schools Commissioner

- to make significant progress towards completion of a major build project at Bardwell School, incorporating a new school hall and two new classrooms, enabling an expansion of the pupil roll.

Going Concern

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

Promoting the success of the company

The Board of Trustees are fully aware of their responsibilities in the promotion of the success of the Trust.

The Board meets at least six times a year and additional extraordinary general meetings are called when required. During the period under review, the Board met seven times. In 2020, the Board continued to meet during the Covid-19 lockdown through online conferences. During May, June and July, the Chair and Vice Chair attended frequent additional conference calls with Head Teachers and the executive team to ensure that they were consulted and able to provide rapid endorsement of key strategic and operational decisions relating to actions linked to Covid-19.

Board meetings are organised by a professional and qualified clerk, and are structured in accordance with guidance and the Articles of Association. Documents are circulated with agendas in advance of meetings. Meetings are attended by members of the executive team in an advisory capacity to ensure Trustees are provided with information to assist their decision making. All issues are discussed in depth at meetings to ensure that short term and long-term consequences of decisions are fully explored before decisions are ratified. Meetings consider strategic priorities and during 2020, considerable attention was paid to the risk and mitigation measures taken to ensure the safe opening of settings during Covid-19.

Board decisions are taken against the backdrop of the Trust's vision and values, the charitable objectives, and in the best interests of staff, pupils, families and communities. The need to observe statutory and regulatory compliance is also at the forefront of decision making.

Trustees are elected to the Board following a process of assessment and due diligence, and are required to demonstrate an appropriate skills set. All Trustees must comply with the Trust's code of conduct which is completed annually.

Trustees are aware of their responsibilities in accordance with the Trust's status as a limited company and an exempt charity. It is critical for the organisation to maintain its reputation for high standards in achieving its charitable objectives and in business conduct. The Trust's ambition to maintain its current status as a high performing and reputable organisation informs decision making.

The Board is responsible for setting, monitoring and upholding the Trust's strong identity, culture, values and reputation, and these qualities are promoted in all activities. A thorough process of induction and continuing CPD ensures that Trustees are familiar with the need to exercise independent judgement, reasonable care, skill and diligence: to avoid conflicts of interests and not accept benefits from third parties. The Trustees are required to work within The Seven Principles of Public life (also known as Nolan's Principles):

1. Selflessness
2. Integrity
3. Objectivity
4. Accountability
5. Openness
6. Honesty
7. Leadership

The Trust works to attract, develop and retain qualified, experienced and skilled staff, and recognise the crucial role of staff in achieving successful outcomes. Please refer to page 8 for further information in the section: *"Engagement with employees (including disabled persons)"*

The Trust recognises the need for effective relationships with suppliers and that these are important in the success of the organisation. Please refer to page 9 for further information in the section: *"Engagement with suppliers, customers and others in a business relationship with the Trust"*.

The Trust has an important duty to benefit the community and the environment. Please see page 17 which provide examples of the practical steps that the Trust is taking to reduce energy usage to benefit the environment. Pupils are taught about environmental issues, including climate change, the depletion of natural resources, the threats to the natural

world, and how they can take positive action within their own communities. The new builds have high standards of energy efficiency, and promote sustainability and recycling.

In accordance with the Trust's vision and values, a core role of the Trust is to have a positive impact on its community of pupils, staff, parents and families as well as the wider community. The Trust regards itself as a power of good, an organisation which is dedicated to improving outcomes for all stakeholders. The values of the Trust are not a theoretical statement: they underpin strategic objectives and practical decisions at every level. At an operational level, this is reflected in the importance attached to relationships formed with parents and carers, and the acknowledgement from all colleagues that the best results for pupils are achieved when decisions and actions are made in partnership with parents/carers and other professionals.

Financial Review

The majority of the Trust's income is obtained from the Education and Skills Funding Agency, the use of which is restricted to educational purposes. Further income is obtained from Oxfordshire County Council in the form of high needs top up funding. Both sources of funding are provided on the basis of commissioned places. The funding received from the ESFA during the period ended 31 August 2020 is shown as restricted funds in the Statement of Financial Activities.

Excluding the fixed asset fund (representing the net book value of fixed assets) of £40,407,171 (2019: £11,142,907) and the pension deficit fund of £(7,780,000), (2019: £(3,655,000)), reserves balances amount to £2,120,878 (2019: £1,301,104). This comprises restricted reserves funds of £1,587,795 (2019: £967,486) and unrestricted general funds of £533,083 (2019: £333,618).

Reserves Policy

The reserves policy:

- confirms the Trust's strategy on the management of reserves, regarded by Trustees as a key factor in the financial sustainability and security of the Trust
- assists in strategic planning by considering how projects, activities and Trust expansion will be funded
- informs the budget planning process
- informs risk management by identifying any known uncertainties in future funding and income streams
- delivers security of cash flow and short-term protection against potential changes in funding
- confirms the approach taken to the reserves held by joining schools

Development of the reserves policy

When considering an appropriate level of reserves, the Trustees consider:

- unforeseen emergency or other unexpected need for funds, e.g. emergency repairs and maintenance within the Trust's estates
- unforeseen day-to-day operational costs, e.g. employing temporary staff to cover long-term sick absence
- a fall in a source of income, e.g. pupil transport
- potential funding cuts
- planned commitments, or designations, that cannot be met by future income alone, e.g. contributions towards capital projects
- the need to fund potential cashflow, e.g. funds may need to be spent before a funding grant is received
- unbudgeted, unfunded increased staffing costs which may be imposed by external agencies
- costs involved in the planned expansion of the Trust in accordance with its agreed vision, e.g. building an appropriate infrastructure and central staff capacity which can provide meaningful and effective support to schools and partners. There are costs associated with developing the Trust in line with current plans that require expenditure preceding generated income.
- staff costs incurred 'at risk', e.g. pre-conversion work: funding bids and project applications. free school applications
- enabling the support of schools with initiatives and projects to drive improvement in line with the Trust's vision and ethos
- the level of additional resources which may be required when supporting schools categorised as inadequate
- the possibility that the Trust may be required to support additional expenditure incurred in the completion of new builds, e.g. landscaping

The Gallery Trust

Trustees' Report (continued)

During the financial year

The Trustees identify:

- when reserves are drawn on, so that they understand the reasons and can consider what corrective action, if any, needs to be taken
- when reserve levels rise significantly so that they understand the reasons and can consider the corrective action, if any, that needs to be taken
- where the reserves level is below target and consider whether it is due to short-term circumstance or longer-term reasons which might require a broader review of finances and reserves

In-year reports provided to the Finance and Personnel Committee:

- compare the amount of reserves held with the target amount or target range set for reserves
- explain any shortfall or excess in reserves against target set
- explain any action being taken or planned to bring reserves into line with target

On 31 August 2020 the Academy Trust held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value of Fixed Assets and Pension Deficit):

	£
Unrestricted General Funds	533,083
Restricted Capital Funds	470,376
Restricted General Funds	<u>1,587,795</u>
Reserves at 31 August 2020	<u>2,591,254</u>

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

Investment Policy

A prudent level of resources to deal with unforeseen contingencies is maintained and the Trust takes a cautious approach to investments.

The Trust's funds are currently in an instant access account with a UK High Street Bank. The Trust reviews interest rates and considers investment opportunities on an annual basis. The Trust's policy at this time is to only invest funds in risk free and immediately accessible deposit accounts.

Principal Risks and Uncertainties

Senior leaders and Trustees undertake constant assessment of the principal risks and uncertainties facing the Trust through the activities of the Finance and Personnel Committee, and the Audit and Risk Committee which are reported to the Board.

The Trust uses an online risk management register to record and monitor risk which is reviewed on a regular basis by the Audit and Risk Committee. The software package provides an integrated approach to risk and compliance, featuring pre-populated and tailored risk identification, and monitoring of controls designed to mitigate and monitor risk. Risk categories captured in the register are: Academic, Financial, Governance, Health and Safety, Infrastructure, Legal, Physical, Staff, Strategic, Students.

Principal risks facing the Trust are predominantly linked to the academies in the Trust and are common to the education sector.

Risks include:

- Covid-19: the Trust has a Covid-19 risk register in place which details the considerable risks and impacts caused by the pandemic on areas of the Trust's operation, including educational outcomes, pupil and staff health and wellbeing, finance, governance, and Health and Safety
- Financial: changes in government grants, including rates of High Needs top up funding, and central government funding rates present challenges to school budgets. Other financial risks include reduction in income streams; unforeseen increase in costs or capital repairs; unbudgeted, unfunded pay rises for teaching and support staff, including increased pension costs, which are enforced by external agencies: inflationary pressures
- Site condition: the Trust is not eligible for School Condition Allocation funding, which is available to Trusts with 3,000 pupils or more to fund school maintenance. The Trust is required to bid for school maintenance funding

for specific projects through the Department for Education's Capital Improvement Fund (CIF). This approach does not guarantee that the necessary funding to keep the estates in good order will be received, as CIF bids are competitive, and the Trust cannot assume that submitted bids will be successful

- Staffing: the principal risks are associated with succession planning and teacher recruitment and retention. As the Trust grows, additional opportunities will be provided to staff to develop their expertise in different schools and with varying SEND cohorts which will have a positive impact on retention. Some recruitment issues are posed by the fact that Oxfordshire is an area with above average housing costs
- The capacity of the central teams to meet the demands of Trust consolidation and growth while keeping the costs of the teams as low as possible in order to maximising funding for pupils in schools
- Expansion activities: the Trust undertakes thorough due diligence with schools which wish to join. However, risks may be presented by joining schools.
- As a DfE sponsor, the Trustees acknowledge that sponsor schools can bring challenge across all areas of operation. However, the Trust's vision is to support special schools in Oxfordshire, and this includes schools that are categorised as Inadequate. The significant challenges of supporting such schools bring additional risks and require additional input, but also provide funding and opportunities for staff across the Trust to broaden and develop their experience as they engage in school improvement with colleagues. The Trust continues to work collaboratively with key stakeholders and partners to support sponsor schools.

Fundraising

The Academy Trust does not use any external fundraisers.

Streamlined Energy and Carbon Reporting

The Gallery Trust was not considered a Large Company per the Companies Act 2006 in 2018/19, but have opted to disclose the information voluntarily in 2019/20.

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	917754.69 kWh
Energy consumption break down (kWh) <ul style="list-style-type: none"> • Gas • Electricity • Transport fuel 	1254.69
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses <u>Total scope 1</u>	144.7 tonnes CO2e 12.45 tonnes CO2e 157.15 tonnes CO2e
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	48.06 tonnes CO2e
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	2.6 tonnes CO2e
Total gross emissions in metric tonnes CO2e	207.81 tonnes CO2e
<u>Intensity ratio</u> Tonnes CO2e per pupil	0.39 tonnes CO2e
Quantification and Reporting Methodology:- <ul style="list-style-type: none"> • 2019 HM Government Environmental Reporting Guidelines. • GHG Reporting Protocol – Corporate Standard • 2020 UK Government's Conversion Factors for Company Reporting. Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. Measures taken to improve energy efficiency Video conferencing technology for the majority of meetings during the Covid19 pandemic has reduced the need for travel. During lockdown, those staff who could work from home did not attend work, further reducing travel. It is anticipated that the move to online meetings will continue to some extent once a full return to work has been implemented. All lighting will be replaced with LED when feasible to reduce energy usage.	

Iffley Academy:

- New school building is energy efficient and will deliver significant savings. For example, the building uses photovoltaic and LED lighting. Exceptional thermal efficiencies and new heating plant is anticipated to reduce gas consumption.
- 2 modular buildings with high electricity usage due to poor insulation and aged heating systems have been removed with resulting fall in electricity consumption

Northern House Academy:

- Inefficient downlighters replaced throughout the corridors of the main teaching building with LED panel lighting during the reporting period.

Orion Academy:

- Ten large single-glazed windows and doors have been replaced with either double-glazed uPVC or toughened aluminium in areas of continuous occupation, giving greater thermal efficiency to the building.

Plans for Future Periods

The future plans of The Gallery Trust are to continue to expand in a measured and sustainable manner to ensure that it can deliver its vision of improving outcomes for students with SEND in Oxfordshire.

The Trust has committed to welcoming additional schools which are both converter and sponsored, and it will continue to engage with schools which share its vision and values. The Trust will continue to plan for the opening of two free special schools which will increase special school places in the county.

The Trust's executive team will continue to promote school improvement and effective business practices across the Trust and will deliver, in collaboration with school colleagues, the best educational outcomes for pupils, best value for money and consistent approaches. The executive team is committed to working flexibly in order to meet the individual needs of schools.

The Trust is undertaking a major review of its governance structure to ensure that governance is effective, engaged and consistent, and that the Scheme of Delegation remains relevant and appropriate.

The Trust will continue to maintain its status as a leading voice in the SEND arena, working with national organisations and stakeholders in order to promote the development of SEND strategy in the county of Oxfordshire, and will take advantage of networking opportunities in order to continue to build the excellent reputation of the Trust. The Trust will continue to work with stakeholders to lobby for equitable funding for SEND pupils.

The Trust will support schools within the Trust to achieve their objectives.

Funds Held as Custodian Trustee on Behalf of Others

The Trust holds no Assets and Funds as Custodian Trustee on behalf of others.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 12 January 2021 and signed on the board's behalf by:



C Scrivener
Trustee

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Gallery 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Gallery Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
S King	7	7
K Moss	5	6
S Rodway (Chair)	7	7
C Scrivener (Vice Chair)	7	7
K Shaw	6	7
G Thomas	7	7
M K Willett	7	7
M Willis	7	7

It is noted that because of the lack of opportunity to undertake a thorough induction due to the restrictions imposed by Covid-19, two new Trustees, Mr Shryane and Mr Burrell, who were appointed to the Board in February 2020, did not take up their places on the Board until September 2020. Mr Shryane, Mr Burrell and Ms Moss (appointed in December 2019) will complete their induction when Covid-19 restrictions are relaxed. Mr G Thomas left the Board at the end of his term of office in October 2020; Mrs S Rodway and Mrs K Shaw left the Board at the end of their terms of office in December 2020. The Board extends its sincere thanks to Mr Thomas, Mrs Rodway and Mrs Shaw for their valuable service. Mrs Rodway has served as Chair of the Board since the Multi Academy Trust was instigated in 2012. Mr Thomas, Mrs Rodway and Mrs Shaw played important and instrumental roles in the development and success of the Trust. Mr C Scrivener, former Vice Chair, was elected by the Board to the role of Chair from 19 December 2020, and Mr S King has been elected to the role of Vice Chair from 19 December 2020.

Strategic discussions at the Trust Board during the year have focussed on the following:

- the future development and growth of the Trust
- reviewing governance arrangements and the Scheme of Delegation
- the response to the Covid-19 pandemic

Governance Reviews

The Board engaged with a governance review involving a DfE governance advisor who undertook discussions with Trustees and senior leaders, and an observation of a Board meeting in February 2020. The learning gained informed a number of discussions and trustee workshops designed to guide a governance review. This work will be finalised in 2020 – 2021.

The Gallery Trust

Governance Statement (continued)

Committees

The Finance and Personnel Committee is a committee of the main Board of Trustees. Its purpose is to ensure sound management of the Trust's finances, staff and resources, including proper planning, monitoring and probity in line with DfE and ESFA guidelines, the Academies Financial Handbook and in accordance with Companies Act and Charity Commission requirements.

Key responsibilities of the Finance and Personnel Committee are:

- Scrutiny of the Trust's financial position
- Consideration of approval of statutory submissions, including the Annual Accounts, budget forecasts
- Consideration of significant procurements and tenders
- Approval of pay awards
- Appointment of external auditor
- Financial and resource implications involved in the expansion of the Trust
- Budget monitoring and management accounts
- Review of HR issues and indicators

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S King (Chair)	5	5
K Moss	4	4
S Rodway	5	5
C Scrivener	4	5
G Thomas	5	5
K Willett	5	5
M Willis	5	5

The Audit and Risk Committee is also a committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Trust's financial, governance, risk management and internal control systems, report its findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the Board's annual reporting requirements.

Key issues for the Audit and Risk Committee were:

- Appoint an internal auditor and receive reports
- Consider the performance of external auditor and recommend re-appointment to the Board
- Monitor and review the risk register
- Agree the internal audit plan for the year
- During the year in question, monitor and review the Covid-19 risk register

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S King	2	2
K Moss	2	2
S Rodway	2	2
C Scrivener (Chair)	2	2
G Thomas	2	2
K Willett	2	2

Review of Value for Money

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

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

- Undertaking a tendering process which resulted in improved value for money for the provision of payroll services
- Continuing to centralise back office services, particularly in finance, to provide reduced costs in schools and better value for money
- Benchmarking of supplier quotes across the Trust has supported reduced costs
- The rapid procurement of PPE for schools for Covid-19 suppliers was undertaken centrally with attendant savings in buying on a larger scale
- The Trust has taken a pro-active approach in expanding pupil places thus increasing pupil-led income

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for specific internal audit function and decided to appoint Ross Brooke Chartered Accountants as internal auditor.

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

- scrutiny of the Trust's online risk register (GRC 1) by members of the Audit and Risk Committee
- an evaluation and report by Mr P J Thompson, Chartered Accountant, regarding the ability of the Trust to comply with the Academies Financial Handbook
- a Safeguarding audit across all establishments
- an audit exercise undertaken by Ross Brooke, internal auditor which included:
 - a general review of adjustments made taken during the Covid-19 lockdown to accommodate finance staff working from home
 - a detailed review of finance and governance areas
 - scrutiny of the Covid-19 risk register from a finance and governance point of view
 - scrutiny of specific attention to modifications to financial procedures
 - testing to determine whether modified financial procedures were being complied with:
 - consideration of specific financial risks associated with onboarding Springfield School during the Covid-19 pandemic

On a regular basis, the auditor reports to the Board of Trustees, through the Audit and Risk and Finance and Personnel Committees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 12 January 2021 and signed on its behalf by:



C Scrivener
Trustee



M K Willett
Accounting Officer

The Gallery Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of The Gallery Trust I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020

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

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



M K Willett
Accounting Officer

The Gallery Trust

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 12 January 2021 and signed on its behalf by:



C Scrivener
Trustee

Opinion on financial statements

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Gallery Trust

Independent Auditor's Report to the Members of The Gallery Trust Year Ended 31 August 2020

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 24), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

The Gallery Trust

Independent Auditor's Report to the Members of The Gallery Trust Year Ended 31 August 2020

Use of our report

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

A handwritten signature in blue ink, reading 'A Rodzynski', with a horizontal line underneath the name.

Andrew Rodzynski (Senior statutory auditor)
For and on behalf of Critchleys Audit LLP
Statutory Auditor
Oxford

Date: 20 January 2021

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

The Gallery Trust

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

In accordance with the terms of our engagement letter dated 5 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Gallery Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament, and the financial transactions conform to the authorities which govern them.

Respective responsibilities of The Gallery Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Gallery Trust's funding agreement with the Secretary of State for Education dated 30 May 2019 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

1. Reviewing the minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information.
2. Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
3. Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
4. Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
5. Consideration of whether activities carried out are within the charitable objects.

The Gallery Trust

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

Conclusion

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

Use of our report

This report is made solely to The Gallery 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 Gallery 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 Gallery Trust and the ESFA, for our review work, for this report, or for the conclusion we have formed.

A handwritten signature in blue ink, appearing to read 'Critchleys Audit LLP'.

Critchleys Audit LLP
Reporting Accountant
Oxford

Date: 20 January 2021

The Gallery Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Un- restricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
Income and endowments from:						
Donations and capital grants	3	312	-	599,284	599,596	27,624
Transfer from Local Authority on conversion	3	258,591	(2,144,000)	13,422,924	11,537,515	5,742,270
Transfer from existing academy trust	3	-	(1,517,000)	7,412,087	5,895,087	-
Assets transferred to the Trust	3	-	-	9,100,000	9,100,000	-
<i>Charitable Activities:</i>						
Funding for the Academy's educational operations	4	114,424	8,477,120	-	8,591,544	4,260,612
Teaching School	4	-	48,500	-	48,500	60,000
Other trading activity	5	22,498	-	-	22,498	8,611
Investment Income	6	828	-	-	828	662
Total incoming resources		396,653	4,864,620	30,534,295	35,795,568	10,099,779
Expenditure on:						
<i>Charitable activities:</i>						
Academy's educational operations	7	110,507	8,564,163	891,124	9,565,794	4,729,248
Teaching School		-	40,148	-	40,148	60,000
Total resources expended		110,507	8,604,311	891,124	9,605,942	4,789,248
Net incoming/ (expenditure) before transfers						
Gross transfers between funds	17	(86,681)	-	86,681	-	-
Net income/ (expenditure) for the year		199,465	(3,739,691)	29,729,852	26,189,626	5,310,531
Other recognised gains and losses						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	235,000	-	235,000	(914,000)
Net movement in funds		199,465	(3,504,691)	29,729,852	26,424,626	4,396,531
Reconciliation of funds						
Funds brought forward at 1 September 2019		333,618	(2,687,514)	11,147,695	8,793,799	4,397,268
Funds carried forward at 31 August 2020		533,083	(6,192,205)	40,877,547	35,218,425	8,793,799

The Gallery Trust

Balance Sheet as at 31 August 2020

Company Number: 08334718

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	13	40,407,171	11,142,907
Current assets			
Debtors	14	857,101	210,532
Cash at bank and in hand		2,262,966	1,443,212
		3,120,067	1,653,744
Liabilities			
Creditors: Amounts falling due within one year	15	(519,818)	(337,058)
Net current assets		2,600,249	1,316,686
Total assets less current liabilities		43,007,420	12,459,593
Creditors: Amounts falling due after more than one year	16	(8,995)	(10,794)
Net assets excluding pension liability		42,998,425	12,448,799
Defined benefit pension scheme liability	25	(7,780,000)	(3,655,000)
Total net assets including pension liability		35,218,425	8,793,799
Funds of the Academy:			
Restricted income funds			
Fixed asset fund	17	40,877,547	11,147,695
Restricted Income fund	17	1,587,795	967,486
Pension reserve	17	(7,780,000)	(3,655,000)
Total restricted funds		34,685,342	8,460,181
Unrestricted income funds	17	533,083	333,618
Total funds		35,218,425	8,793,799

The financial statements on pages 30 to 58 were approved by the trustees, and authorised for issue on and are signed on their behalf by:

C Scrivener
Chair of Trustees

The Gallery Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	20	438,220	547,042
Cash flows from financing activities	21	1,799	-
Cash flows from investing activities	22	379,735	(15,575)
Change in cash and cash equivalents in the reporting period		819,754	531,467
Cash and cash equivalents 1 September 2019		1,443,212	911,745
Cash and cash equivalents 31 August 2020	23	2,262,966	1,443,212

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1. Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the academy trust, 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 FRS 102 (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency, the Charities Act 2011 and the Companies Act 2006.

Going Concern

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

Income

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

■ **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

■ **Donations**

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

■ **Other Income**

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

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

1. Statement of Accounting Policies continued

- **Transfer on conversion**

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

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

Where assets are received on the transfer of an existing academy into the 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 trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the Transfer of an existing academy into the trust within Donations and capital grant income.

Expenditure

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

- **Charitable Activities**

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

- **Expenditure on Raising Funds**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold Property	5% (20 years from conversion)
Leasehold Improvements	5-10% (10-20 years)
Furniture and Equipment	20% (5 years)
Computer equipment	33% (3 years)
Motor Vehicles	20% (5 years)

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

1. Statement of Accounting Policies (continued)

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

Liabilities

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

Provisions

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

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

Leased Assets

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

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

Agency Arrangements

The academy trust distributes 16-19 Bursary funds to students as an agent for the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 27.

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1. Statement of Accounting Policies (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective unit credit method. As stated in Note 25, 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 for accounting purposes and the contributions recognised in the period to which they relate.

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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education 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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3. Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Capital Grants	-	599,284	599,284	27,624
Transfer on conversion / rebrokerage	258,591	17,174,011	17,432,602	5,742,270
Assets transferred to the Trust	-	9,100,000	9,100,000	-
Other donations	312	-	312	-
	<u>258,903</u>	<u>26,873,295</u>	<u>27,132,198</u>	<u>5,769,894</u>
Total 2019	<u>87,751</u>	<u>5,682,143</u>	<u>5,769,894</u>	

4. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
DfE/ESFA revenue grant				
General Annual Grant (GAG)	-	3,751,542	3,751,542	1,923,808
Start-up grants	-	-	-	50,000
Other DfE / ESFA Grants	-	855,458	855,458	199,760
Teaching School Grants	-	48,500	48,500	60,000
	<u>-</u>	<u>4,655,500</u>	<u>4,655,500</u>	<u>2,233,568</u>
Other Government grants				
Local Authority grants	-	3,771,270	3,771,270	1,946,781
Special Educational Projects	-	98,850	98,850	-
	-	3,870,120	3,870,120	1,946,781
Other Income from the academy trust's educational operations	114,424	-	114,424	140,263
	<u>114,424</u>	<u>8,525,620</u>	<u>8,640,044</u>	<u>4,320,612</u>
Total 2019	<u>140,263</u>	<u>4,180,349</u>	<u>4,320,612</u>	

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

5. Other Trading Activities

	Unrestricted Funds £	Total 2020 £	Total 2019 £
Hire of facilities	22,498	22,498	1,297
Catering Income	-	-	7,314
	22,498	22,498	8,611
Total 2019	8,611	8,611	

6. Investment Income

	Unrestricted Funds £	Total 2020 £	Total 2019 £
Short term deposits	828	828	662
	828	828	662
Total 2019	662	662	

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

7. Expenditure

	Staff Costs £	Premises £	Other Costs £	Total 2020 £	Total 2019 £
Academy's educational operations					
Direct costs	5,390,038	-	233,791	5,623,829	2,869,520
Allocated support costs	2,113,819	315,946	1,552,348	3,982,113	1,919,728
	7,503,857	315,946	1,786,139	9,605,942	4,789,248
Total 2019	3,657,954	127,871	1,003,423	4,789,248	

Net income/(expenditure) for the period include:

	2020 £	2019 £
Operating lease rentals	13,342	15,063
Depreciation	891,124	447,145
<i>Fees payable to the auditor for</i>		
• Audit	15,000	8,350
• Other services	10,000	7,263

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

8. Charitable Activities

	Total 2020 £	Total 2019 £
Direct costs – educational operations	5,623,829	2,869,520
Support costs – educational operations	3,982,113	1,919,728
Total direct and support costs	9,605,942	4,789,248
 Analysis of support costs		
Support staff costs	2,113,819	578,851
Technology costs	116,700	82,350
Premises costs	315,946	127,871
Depreciation	891,126	447,145
Other support costs	501,641	183,945
Pension finance cost	-	405,000
Governance costs	42,881	94,566
Total Support Costs	3,982,113	1,919,728

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

9. Staff

a. Staff costs

	2020 £	2019 £
Wages and salaries	5,198,856	2,565,012
Social security costs	489,688	241,009
Pension costs	1,751,349	851,933
	<u>7,439,893</u>	<u>3,657,954</u>
Agency staff costs	63,964	-
Staff restructuring costs	-	-
	<u>7,503,857</u>	<u>3,657,954</u>

b. Non statutory / non contractual staff severance payments

There are no non-statutory / non contractual severance payments included in salary costs for 2020 or 2019

c. Staff numbers

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

Average Headcount	2020 Number	2019 Number
Teachers	73	25
Administration and support	235	118
Management	24	18
	<u>332</u>	<u>161</u>

Average FTE	2020 Number	2019 Number
Teachers	72	25
Administration and support	129	83
Management	21	18
	<u>222</u>	<u>126</u>

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

d. Higher paid staff

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

	2020 Number	2019 Number
£60,001-£70,000	3	2
£70,001-£80,000	3	1
£80,001-£90,000	1	-
£120,001-£130,000	1	1

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,104,563 (2019: £682,745).

10. Central Services

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

- Payroll
- Human resources
- Health and safety
- Facilities management
- ICT support
- Finance and audit services
- Risk management
- School improvement

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

- An agreed percentage of the General Annual Grant (GAG) income and the High Needs funding from Oxfordshire County Council based on the needs of the school.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Iffley Academy	188,932	31,616
Bardwell School	67,810	17,240
Northern House Academy	74,877	-
Orion Academy	64,534	-
	396,153	48,856

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

11. Related Party Transactions - Trustees' Remuneration & Expenses

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of the trustees' remuneration was as follows:

M K Willett, CEO Governor and Trustee

Remuneration £125,000 - £130,000 – (2019 £120,000 - £125,000)

Employer's pension contributions £30,000- £35,000 - (2019 £15,000 - £20,000)

Other related party transactions involving the trustees are set out in Note 27.

12. Trustees' and Officers' Insurance

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

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

13. Tangible Fixed Assets

	Leasehold Buildings	Assets under Construction	Furniture and Equipmen t	Computer Equipmen t	Motor Vehicle	Total
	£	£	£	£	£	£
Cost						
At 1 September 2019	13,478,419	21,856	152,345	56,170	61,222	13,770,012
Transfer from assets under construction	21,856	(21,856)	-	-	-	-
Additions	36,090	72,650	42,629	76,140	13,493	241,002
Assets transferred to the Trust	9,100,000	-	-	-	-	9,100,000
Transfer from existing academy trust (see note 28)	7,412,087	-	-	-	-	7,412,087
Transfer from Local Authority on conversion (see note 29)	13,402,299	-	-	-	-	13,402,299
At 31 August 2020	43,450,751	72,650	194,974	132,310	74,715	43,925,400
Depreciation						
At 1 September 2019	2,389,375	-	139,283	42,562	55,885	2,627,105
Charged for the year	863,103	-	8,973	12,139	6,909	891,124
At 31 August 2020	3,252,478	-	148,256	54,701	62,794	3,518,229
Net book values						
At 31 August 2020	40,198,273	72,650	46,718	77,609	11,921	40,407,171
At 31 August 2019	11,089,044	21,856	13,062	13,608	5,337	11,142,907

Total leasehold land is valued at £9,476,000 at year end (2019: £1,396,000) and includes the land for all schools except Iffley Academy and is not depreciated. Assets to the value of £9,100,000 were transferred to the trust in August 2020, in relation to Iffley Academy, which were not depreciated at year end.

14. Debtors

	2020 £	2019 £
Trade debtors	22,361	9,447
VAT Recoverable	63,227	24,871
Other debtors	-	1,200
Prepayments and accrued income	771,513	175,014
	857,101	210,532

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15. Creditors: Amounts Falling Due within one Year

	2020 £	2019 £
Trade Creditors	110,570	114,175
Other taxation and social security	159,953	85,750
Loan	1,799	1,799
Other creditors	156,825	81,675
Accruals and deferred income	90,671	53,659
	519,818	337,058
Deferred income		
As at 1 September 2019	30,476	73,897
Release from previous years	(30,476)	(73,897)
Resources deferred in year	28,377	30,476
Deferred income at 31 August 2020	28,377	30,476

Deferred income at the year end is in relation to funds received in advance £28,377 (2019 - £30,476).

16. Creditors: Amounts Falling Due after one Year

	2020 £	2019 £
Loan	8,995	10,794
	8,995	10,794

A loan of £12,593 from Prudential was transferred to the trust on Bardwell School's conversion from Oxfordshire County Council on 1 June 2019. The loan is repayable in seven annual instalments of £1,799. At the balance sheet date, the total loan repayable was £10,794 (2019: £12,593).

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

17. Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, Losses and Transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	956,105	3,751,542	(3,119,852)	-	1,587,795
Other DfE / ESFA grants	11,381	832,844	(844,225)	-	-
Pupil Premium	-	169,964	(169,964)	-	-
Local Authority funding	-	3,771,270	(3,771,270)	-	-
Pension Reserve	(3,655,000)	(3,661,000)	(699,000)	235,000	(7,780,000)
	(2,687,514)	4,864,620	(8,604,311)	235,000	(6,192,205)
Restricted fixed asset funds					
Transfer on conversion	11,057,167	20,835,011	(620,398)	-	31,271,780
Assets transferred to the Trust	-	9,100,000	-	-	9,100,000
DfE/ESFA capital grants	90,528	599,284	(270,726)	-	419,086
Capital expenditure from unrestricted funds	-	-	-	86,681	86,681
	11,147,695	30,534,295	(891,124)	86,681	40,877,547
Total restricted funds	8,460,181	35,398,915	(9,495,435)	235,000	34,685,341
Total unrestricted funds	333,618	396,653	(110,507)	(86,681)	533,083
Total funds	8,793,799	35,795,568	(9,605,942)	235,000	35,218,425

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

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period to fund the continuing activities of the school. Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of that it could carry forward at 31 August 2020.

Both are DfE funding represents other forms of funding received from the Department for Education. This includes but is not limited to Year 7 Catch Up funding and PE grants.

Pupil Premium Funding represents funding received from the Department of Education (DfE) to raise the attainment of disadvantaged pupils of all abilities. The eligibility of the pupils and rates of grant per pupil are set out by the DfE. This funding is to be used for the provision of education.

Local authority revenue funding represents various grants funding provided by local authorities.

The pension fund reserve of £7,780,000 (overdrawn) represents the Academy Trust's share of the deficit in the Local Government Pension Scheme funds.

Transfer on conversion balances and assets transferred to the trust represents the net book value of the assets transferred to the academy trust.

DfE/ESFA capital grants represents the net book value of the assets procured funded by DfE/ESFA capital grants.

Capital expenditure from unrestricted funds represents the balance transferred from unrestricted funds for assets not funded via capital grants received by the trust.

Unrestricted funds represent other income which is not received as funding or with specific purpose.

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17. Funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, Losses and Transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	583,977	1,923,808	(1,551,680)	-	956,105
Other DfE / ESFA grants	-	243,154	(231,773)	-	11,381
Pupil Premium	-	66,606	(66,606)	-	-
Local Authority funding	-	1,946,781	(1,946,781)	-	-
Pension Reserve	(1,532,000)	(804,000)	(405,000)	(914,000)	(3,655,000)
	(948,023)	3,376,349	(4,201,840)	(914,000)	(2,687,514)
Restricted fixed asset funds					
Fixed asset funds	5,090,012	6,458,519	(447,145)	41,521	11,142,907
DfE/ESFA capital grants	18,685	27,624	-	(41,521)	4,788
	5,108,697	6,486,143	(447,145)	-	11,147,695
Total restricted funds	4,160,674	9,862,492	(4,648,985)	(914,000)	8,460,181
Total unrestricted funds	236,594	237,287	(140,263)	-	333,618
Total funds	4,397,268	10,099,779	(4,789,248)	(914,000)	8,793,799

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

17. Funds (continued)

Analysis of Academies by Fund balance

Funds at 31 August 2020 were allocated as follows:

	Balance at 31 August 2020 £	Balance at 31 August 2019 £
Bardwell School	-	-
Iffley Academy	-	-
Northern House Academy	-	-
Orion Academy	-	-
Springfield School	-	-
Central Services (if applicable)	2,120,878	1,301,104
Total before fixed assets and pension reserve	2,120,878	1,301,104
Restricted fixed asset fund	40,877,547	11,147,695
Pension reserve	(7,780,000)	(3,655,000)
Total	35,218,425	8,793,799

Total cost analysis by academy

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

	Teaching and Educational support staff costs £	Other Support staff costs £	Educational supplies £	Other costs (exc. Dep) £	2020 Total £	2019 Total £
Bardwell School	1,453,015	297,648	45,218	213,290	2,009,171	443,706
Iffley Academy	2,020,420	407,151	93,869	458,962	2,980,402	2,983,770
Northern House Academy	617,775	76,262	37,142	171,877	903,056	-
Orion Academy	592,936	92,088	44,325	129,994	859,343	-
Springfield School	264,180	43,176	1,164	6,492	315,012	-
Central Services	441,712	1,133,530	12,072	60,520	1,647,834	914,627
Academy trust	5,390,038	2,049,855	233,790	1,041,135	8,714,818	4,342,103

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

18. Analysis of Net Assets between Funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	40,407,171	40,407,171
Current assets	533,083	2,116,608	470,376	3,120,067
Current liabilities	-	(519,818)	-	(519,818)
Non current liabilities	-	(8,995)	-	(8,995)
Pension scheme liability	-	(7,780,000)	-	(7,780,000)
Total net assets	533,083	(6,192,205)	40,877,547	35,218,425

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	11,142,907	11,142,907
Current assets	344,412	1,304,544	4,788	1,653,744
Current liabilities	-	(337,058)	-	(337,058)
Non current liabilities	(10,794)	-	-	(10,794)
Pension scheme liability	-	(3,655,000)	-	(3,655,000)
Total net assets	333,618	(2,687,514)	11,147,695	8,793,799

19. Commitments under operating leases

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

	2020 £	2019 £
Amounts due within one year	2,098	12,018
Amounts due between one and five years	1,346	2,707
Amounts due after five years	-	-
	3,444	14,725

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

20. Reconciliation of Net Income to Net Cash Inflow from Operating Activities

	2020 £	2019 £
Net income/(expenditure) for year (as per SoFA)	26,189,626	5,310,531
Adjusted for:		
Depreciation charges (note 13)	891,124	447,145
Capital grants from DfE and other capital income	(619,909)	(25,284)
Interest receivable (note 6)	(828)	(662)
Defined benefit pension scheme obligation inherited	3,661,000	804,000
Defined benefit pension scheme less contributions payable (note 25)	602,000	354,000
Defined benefit pension scheme finance cost (note 25)	97,000	51,000
Transfer from LA and existing academy trust	(20,814,386)	(6,458,519)
Assets transferred to the Trust	(9,100,000)	-
Increase in debtors	(646,569)	(42,044)
Increase in creditors	179,162	106,875
Net cash provided by operating activities	438,220	547,042

21. Cash flows from financing activities

	2020 £	2019 £
Repayments of borrowing	1,799	-
Net cash provided by financing activities	1,799	-

22. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	828	662
Purchase of tangible fixed assets	(241,002)	(41,521)
Capital grants from DfE Group	599,284	25,284
Capital funding received from sponsors and others	20,625	-
Net cash used in investing activities	379,735	(15,575)

23. Analysis of cash and cash equivalents

	At 31 August 2020 £	At 31 August 2019 £
Cash in hand and at bank	2,262,966	1,443,212
Total cash and cash equivalents	2,262,966	1,443,212

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	New Borrowing £	At 31 August 2020 £
Cash	1,443,212	819,754	-	2,262,966
Loans falling due within one year	(1,799)	-	-	(1,799)
Loans falling due after more than one year	(10,754)	1,799	-	(8,995)
Total	1,430,659	821,553	-	2,252,172

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25. Pension and Similar Obligations

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

The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £157,417 were payable to the schemes at 31 August 2020 (2019: £78,669) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007 automatic for teachers in part-time employment following appointment or a change of contract, 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 (Valuations 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 the 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 2020.

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

25. Pension and Similar Obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £586,942 (2019 £210,933).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2020 was £587,000 (2019: £312,000), of which employer's contributions totalled £446,000 (2019: £236,000) and employees' contributions totalled £141,000 (2019: £76,000). The agreed contribution rates for future years are 17.70% for employers and between 5.5-5.80% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	2.2%	3.8%
Inflation assumption (CPI)	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.8%
Commutation of pensions to lump sums	50.0%	50.0%

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
+Males	22.2	22.7
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	22.9	24.0
Females	22.9	25.7

Sensitivity Analysis	At 31 August 2020 £'000s	At 31 August 2019 £'000s
Discount Rate +0.1%	13,478	6,963
Discount Rate -0.1%	17,650	7,323
Mortality assumption – 1 year increase	N/A	N/A
Mortality assumption – 1 year decrease	N/A	N/A
CPI rate +0.1%	17,438	N/A
CPI rate -0.1%	13,690	N/A

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

25. Pension and Similar Obligations (continued)

The Academy's share of the assets in the scheme were:

	Fair value at 31 August 2020 £	Fair value at 31 August 2019 £
Equities	5,449,000	2,407,000
Debt Instruments	1,557,000	732,000
Property	467,000	209,000
Cash and other liquid assets	311,000	140,000
Total market value of assets	7,784,000	3,488,000

The actual return on scheme assets was £58,000 (2019: £112,000).

Amounts recognised in the statement of financial activities

	2020 £	2019 £
Current service cost	1,048,000	452,000
Past service cost	(177,000)	138,000
Net Interest cost	97,000	51,000
Total amount recognised in SOFA	968,000	641,000

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

	2020 £	2019 £
As at 1 September	7,143,000	3,661,000
Transferred in on Conversion and from academy trust	7,273,000	1,693,000
Current service cost	1,048,000	452,000
Interest cost	192,000	121,000
Employee contributions	141,000	76,000
Actuarial (gain)/loss	-	1,029,000
Benefits paid	(56,000)	(27,000)
Past service cost	(177,000)	138,000
At 31 August 2020	15,564,000	7,143,000

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

Changes in the fair value of academy's share of scheme assets:

	2020	2019
	£	£
As at 1 September 2019	3,488,000	2,129,000
Conversion of academy trust	3,612,000	889,000
Interest income	95,000	70,000
Return on plan assets	58,000	115,000
Employee contributions	141,000	76,000
Employer contributions	446,000	236,000
Benefits paid	(56,000)	(27,000)
At 31 August 2020	7,784,000	3,488,000

26. Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from the local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period:

The following related party transactions took place in the period of account.

Mr R Willett (spouse of Mrs M Willett, Trustee and Accounting Officer) is employed by Iffley Academy as Additional Educational Needs Coordinator (having previously been employed by the predecessor local authority maintained school since 2007). Mr Willett's remuneration during the year was £45,931 (2019: £46,699), employer pension contributions amounted to £8,799 (2019: £3,842) and expenses were £Nil (2019: £Nil). The balance due to Mr R Willett as at 31 August 2020 was £Nil (2019: £Nil).

Mr R Willett's appointment was made in open competition and Mrs M Willett was not involved in the decision-making process regarding appointment. Mr R Willett is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a trustee.

Ms K Hunston (daughter of Mrs S Hunston, Chief Operating Officer) was employed by Iffley Academy as a Teaching Assistant in the year-ended 31 August 2020. Ms Hunston's remuneration during the year ending 31 August 2020 was £14,789 (2019: £14,299), employer pension contributions amounted to £2,811 (2019: £809) and expenses were £Nil (2019: £Nil). The balance due to Ms K Hunston as at 31 August 2020 was £Nil (2019: £Nil). Ms K Hunston's appointment was made in open competition and Mrs S Hunston was not involved in the decision-making process regarding appointment. Ms K Hunston is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member of the senior leadership team.

Mr M Shaw (son of Mrs K Shaw, Trustee) was employed by Iffley Academy as a Resources Assistant in the year-ended 31 August 2020. Mr Shaw's remuneration during the year ending 31 August 2020 was £5,640 (2019: £Nil), employer pension contributions amounted to £1,079 (2019: £Nil) and expenses were £Nil (2019: £Nil). The balance due to Mr M Shaw as at 31 August 2020 was £Nil (2019: £Nil). Mr M Shaw's appointment was made in open competition and Mrs K Shaw was not involved in the decision-making process regarding appointment. Mr M Shaw is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a member of the trustees.

Mrs C Shyrane (wife of Mr J Shyrane, Trustee) was employed by Springfield School as a Teaching Assistant in the year-ended 31 August 2020. Mrs C Shyrane's remuneration during the year ending 31 August 2020 was £834 (2019: £Nil), employer pension contributions amounted to £Nil (2019: £Nil) and expenses were £Nil (2019: £Nil). The balance due to Mrs C Shyrane as at 31 August 2020 was £Nil (2019: £Nil). Mrs C Shyrane's appointment was made in open competition and Mr J Shyrane was not involved in the decision-making process regarding appointment. Mrs C Shyrane is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member of the trustees.

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

27. Agency arrangements

The academy trust distributes 16-19 Bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020, the trust received £3,540 (2019: £4,311) and disbursed £3,540 (2019: £4,096) from the fund. An amount of £Nil (2019:£Nil) is included in Other Creditors relating to the undistributed funds that are repayable to the ESFA.

28. Transfer of existing academies into the academy trust

Northern House Academy

The school joined the academy Trust on the 1 February 2020 and 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 a net gain in the Statement of Financial Activities.

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 Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
· Leasehold land and buildings	-	-	7,412,087	7,412,087
LGPS pension surplus / (deficit)*	-	-	-	-
Net [assets / liabilities]	-	-	7,412,087	7,412,087

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

29. Local Authority Conversion into the academy trust

Orion Academy

The school joined the academy Trust on the 1 February 2020 and 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 a net gain in the Statement of Financial Activities.

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 Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
. Leasehold land and buildings	-	-	5,756,300	5,756,300
LGPS pension surplus / (deficit)*	-	-	-	-
Net [assets / liabilities]	-	-	5,756,300	5,756,300

Springfield School

The school joined the academy Trust on the 1 July 2020 and 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 a net gain in the Statement of Financial Activities.

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 Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
. Leasehold land and buildings	-	-	7,646,000	7,646,000
Budget surplus	258,591	-	20,625	279,216
LGPS pension surplus / (deficit)*	-	-	-	-
Net [assets / liabilities]	258,591	-	7,666,625	7,925,216

* Due to the actuarial valuation representing the group, as at the 31 August 2020, we are unable to accurately determine the individual amounts brought into the Trust at the date of conversion, as this information was not provided for the purpose of the financial statements. In total, a liability amounting to £3,661,000 was transferred to the group.

The Gallery Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

(continued)

30. Events after the balance sheet date

On 1 November 2020, Mabel Pritchard School joined the trust.

31. Teaching School

	2020 £	2019 £
Income		
Direct Income		
National College	48,500	60,000
Total Income	48,500	60,000
Expenditure		
Direct Costs		
Staff costs	39,248	43,871
Staff development	-	1,205
Other Costs		
Support staff	-	13,158
Technology costs	-	33
Other support costs	900	438
Governance costs	-	1,295
Total Expenditure	40,148	60,000
Surplus from all sources	8,352	-
Teaching school balance at 1 September	-	-
Teaching School balance at 31 August	8,352	-

32. 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.