

Company Registration Number: 05853746 (England & Wales)

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

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GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

Members:

P Murray
Duncan Murray
Di Murray
H Hodgson
Vacancy

Trustees:

H Hodgson (Chair)
G Foster
P Connew
P Ward
L Harris
L Pritchard
R Bhalla
B Seaton Woods Appointed 15/01/2021
K Sadler Ex-Officio (CEO)

Company Secretary:

J Jones

Senior Management Team:

K Sadler, CEO
V Reid, Deputy CEO
G McLaughlin, Head of School (Gateway Academy)
D George, Head of School (Lansdowne)
S Otto, Head of School (Herringham)
C Hall, Head of School (Tilbury Pioneer)
E Pattison, Head of School (Gateway Primary)

Company Name:

The Gateway Learning Community

Registered Office:

Marshfoot Road
Grays
Essex
RM16 4LU

Company Registration Number:

05853746

Independent Auditor:

Landau Baker Limited
Mountcliff House
154 Brent Street
London
NW4 2DR

Bankers:

NatWest
17 High Street
Grays
Essex

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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

The trust operates 1 secondary and 4 primary academies in the Tilbury area of Thurrock. Its academies have a combined pupil capacity of 3000 and had a roll of 2946 in the school census October 2021.

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 Gateway Learning Community Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Gateway Learning Community.

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 the preceding pages of this document.

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

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy

Method of Recruitment and Appointment or Election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Trust will advertise to fill existing posts as well as using organisations such as Academies Ambassadors. Additionally existing directors may nominate suitable candidates, who will be considered by the Scrutiny Committee.

Policies and Procedures Adopted for the Induction and Training of Trustees

Directors receive a comprehensive induction pack upon appointment. Each director is assigned a mentor who works with them to ensure they understand their role sufficiently.

Organisational Structure

The Gateway Learning Community is governed by a Board of Directors (which is also the governing body) constituted under the Memorandum and Articles of Association. The directors are responsible for ensuring high standards of corporate governance are maintained. The directors exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Gateway Learning Community and shall consider any advice given by the CEO, addressing such matters as

- Policy development and strategic development,
- Ensuring sound management and administration of the Gateway Learning Community
- Ensuring compliance with legal requirements
- Ensuring effective internal controls are in operation
- The monitoring of performance

GATEWAY LEARNING COMMUNITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

- Helping the Gateway Learning Community to be responsive to the needs of the parents, carers and the community.
- Setting the Gateway Learning Community's standards of conduct and value, and
- Assessing and managing risk

A full trustee's meeting is held at least once every half term. The CEO assumes the accounting officer role.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The GLC sets out its procedures for setting executive pay in line with the current Academies Financial Handbook in its Financial Authority and Business Policy with further information of the Pay Committee structure in its Performance Management and Capability Policy. A sub committee of the Board of Directors sets a series of objectives linked to the GLCs current development plan that form the basis of pay decisions for all staff including the CEO, Deputy CEO and Heads of School. The Board discharges its responsibilities ensuring its approach to pay is transparent, proportionate and justifiable.

Related Parties and other Connected Charities and Organisations

The GLC is sponsored by the Ormiston Trust. The two organizations share common values and principles which underpin the GLCs philosophy for education

Engagement with Employees (including disabled persons)

The GLC has established a number of elements of communication that are aimed at ensuring our staff have a voice in the Trust's development policies, values and missions. Each school is represented on the GLC Wellbeing Task Group which has been instrumental in introducing a range of benefits for staff including; personal counselling; induction; peer to peer support; Perkbox discount scheme; My Day (an additional entitlement for all staff to elect a day's leave for special events).

The GLC conducts a weekly survey where staff are asked to comment on any aspect of work or personal circumstances. Comments where not anonymised are followed through with 1-1 conversations.

The GLC has established a Equality Steering Group in response to Black Lives Matter to explore all aspects of equality. GLC Equality statements have been amended, the Trust has signed up to the Race at Work Charter and are exploring promotional materials that create greater diversity to staff.

Engagement with Suppliers, Customers and Other in a Business Relationship with the Trust.

The Gateway Learning Community is focused on providing high quality education for the community of Tilbury and Chadwell and as such we see this as vital for community regeneration.

The Gateway Learning Community established a development trust, One Community, which is a now a free standing organisation. This is supported by the GLC that operates to provide a wider range of services within the community. It ranges from CV writing, acting as advocates for the community dealing with the Local Authority etc.

The GLC has a long standing relationship with the Port of Tilbury (Tilbury's largest employer) with 3 members of the Port now occupying Board and Local Governing Body positions. The Port of Tilbury supported by the GLC and others has recently successfully applied to the Towns Fund and secured £23M of investment into Tilbury. The CEO for the Gateway Learning Community is a Townsfund Board Member overseeing development of a new youth facility.

In recent years the GLC has worked hard to develop relationships with other local companies to ensure students and young people are able to benefit from activities such as business meeting training and business placements.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities

Objects and Aims

The principal object of the Gateway Learning Community Trust to provide a broad and balanced education for pupils of all abilities for the communities of Tilbury and Chadwell. The directors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the Trust.

In accordance with the articles of association, the Trust has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the Trust will be at the heart of the their community promoting community cohesion and sharing facilities; the basis for admitting students to the Trust, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

Objectives, Strategies and Activities

The GLC's mission is to develop confident, aspirational, resilient, high achieving, healthy, caring and fulfilled members of a diverse, truly fair and equal community.

The aims detailed above will be achieved through:

- The development of positive relationships to prepare students for learning and life
- Outstanding teaching, achievement and progress
- An inspiring and meaningful curriculum
- The development of effective external partnerships for the benefit and wellbeing of our community
- A commitment to the wellbeing of our staff

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Additionally, over the last year, particularly as a response to the Black Lives Matter campaign, our staff, pupils, governors and the wider community have focussed on our motto *All Different: All Equal* to review the curriculum and policies to ensure we develop full inclusivity. One action amongst many is that the GLC has registered as a signatory for the Race at Work Charter. We have also rewritten our equalities statement as follows:

GLC Equalities Statement

The GLC's commitment to equality is enshrined in our mission statement to 'develop confident, aspirational, resilient, high-achieving, healthy, caring and fulfilled members of a diverse, truly fair, and equal community'. We aim to be a vibrant, innovative and highly successful organisation: the place of choice to work and to learn. Across the 5 academies of the GLC, we pledge that everyone enjoys an equality of opportunity. We will work tirelessly to ensure that individual different characteristics including age, ethnicity, socio-economic background, academic ability, disability, gender, religious beliefs, sexual orientation are not discriminated against in any way. We will create environments characterised by mutual respect where difference is celebrated and where individual differences don't act as a barrier to success.

In order to continue to develop the provision across each of the GLC schools and to address the impact of pandemic closures we have adopted the following strategic objectives:

Teaching: Have access to good quality teaching in every lesson, every day.

SEND: Be provided with high-quality (SEND) provision every day that directly meets any identified SEND/additional needs

Curriculum: Have access to a curriculum that develops young people as confident, aspirational, resilient, high-achieving, healthy, caring and fulfilled members of a diverse, truly fair, and equal community. A wide range of extra-curricular activities develops young people's interests, well-being, creativity and social skills.

Oracy: Talk confidently to a range of audiences in different contexts with clarity, age-related vocabulary. Mathematics: Have a secure age-related understanding of mathematical concepts, can solve problems and apply these in real life contexts

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

Digital Learning: Be safe, inspired, creative, connected and confident digital citizens [year 3-7]
PDBW: Be empowered to achieve good personal development, behaviour and wellbeing.

Early Years: Have an excellent start to their journey through the GLC across all aspects of learning and development through a unified approach to Early Years provision;

In addition, at the last meeting the Board requested that the Strategic Intentions be extended to include the following
Strategic Intention : To launch the single bank account and consolidate the budget reporting systems
Strategic Intention : To update the 5 year site plans for each academy and link these to the 3-year budget forecasts

Achievements and Performance

Key Performance Indicators

To end of the academic year 2021 the GLC academies are graded by Ofsted as follows:

- The Gateway Academy Good
- Herringham Primary Academy Requires Improvement
- Gateway Primary Free School Good
- Lansdowne Primary Academy Good
- Tilbury Pioneer Academy Good

Our mission has been to transform the educational provision within Tilbury and Chadwell. We are working hard to address our areas for development to ensure that each academy within the MAT is rated good by Ofsted. At the time of writing this report our internal assessments judge each of the 5 schools to be good. We are waiting for a re-inspection of Herringham at any time to endorse our judgment.

Gateway Academy End of Key Stage 4 Data

| | Historic | | | | Y11 2021 | | | Analysis | | | | |
|--------------|----------|------|------|------------------|----------|--------------------------|----------|-----------|----------------------------|----|----|--|
| | 2017 | 2018 | 2019 | 2020 | 2021 | 2021 | 2021 | Trend | 2020 National Average (NA) | | | |
| | | | | Teacher Assessed | Target | Teacher Assessed Outcome | v Target | 2017-2021 | | | | |
| Basic | All | 47 | 59 | 55 | 70 | 65 | 64 | -3 | -2 | 21 | 71 | |
| | Boys | 45 | 63 | 48 | 61 | 66 | 66 | 0 | 5 | 21 | | |
| | Girls | 50 | 55 | 62 | 79 | 64 | 69 | 5 | -10 | 19 | | |
| | DYP | 31 | 43 | 36 | 65 | 42 | 48 | 6 | -17 | 17 | | |
| | Non-Dis | 66 | 73 | 64 | 75 | 78 | 78 | 3 | 3 | 12 | | |
| | SEND | 10 | 21 | 18 | 25 | 9 | 23 | 14 | -2 | 13 | | |
| | All | 32 | 69 | 64 | 76 | 71 | 74 | 3 | -1 | 22 | 73 | |
| | Boys | 45 | 56 | 57 | 70 | 67 | 69 | 2 | -1 | 24 | | |
| | Girls | 56 | 69 | 72 | 80 | 76 | 77 | 1 | -3 | 21 | | |
| | DYP | 37 | 53 | 54 | 70 | 55 | 55 | 0 | -15 | 18 | | |
| English Lang | Non-Dis | 78 | 80 | 69 | 78 | 80 | 83 | 3 | 5 | 13 | | |
| | SEND | 12 | 25 | 20 | 25 | 22 | 26 | 4 | 1 | 14 | | |
| | All | 62 | 69 | 66 | 80 | 71 | 75 | 4 | -5 | 13 | 71 | |
| | Boys | 61 | 77 | 63 | 73 | 73 | 76 | 3 | 3 | 15 | | |
| | Girls | 63 | 60 | 70 | 89 | 71 | 75 | 4 | -14 | 12 | | |
| | DYP | 48 | 55 | 46 | 78 | 52 | 55 | 3 | -23 | 7 | | |
| | Non-Dis | 76 | 79 | 77 | 82 | 86 | 85 | -1 | 3 | 9 | | |
| | SEND | 10 | 29 | 23 | 58 | 16 | 26 | 10 | -32 | 16 | | |
| | Maths | | | | | | | | | | | |

- Basic 4+ have reduced by 2% from 2021 but are 3 % above target, targets have been exceeded or met for all groups and overall. When compared with 2021 the disadvantaged and girls show reductions of -17 and -10 whilst boys and non-disadvantaged have increased by 5%.
- English is broadly in line with last year and 3% up on Target, all groups meet or exceed target disadvantaged students show the most significant decrease from 2021 (-15%).
- Maths have reduced by 5% from 2021 and this is seen most significantly in girls, disadvantaged and SEND students.
- English and Maths both exceed national average 2021.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and Performance (continued)

Key Performance Indicators (continued)

| Year 11 Attainment Tracking: Grade 5+ 2017- 2021 | | | | | | | | | | | |
|--|----------|------|------|------|------|-------------------------------|---------------|-------------|-----------------|-----------------------------|----|
| | Historic | | | | | Y11 2021 | | Analysis | | 2020 National Average (N/A) | |
| | 2017 | 2018 | 2019 | 2020 | 2021 | 2021 Teacher Assessed Outcome | 2021 v Target | 2021 v 2020 | Trend 2017-2021 | | |
| Basics | All | 31 | 38 | 34 | 47 | 40 | 43 | 3 | -4 | 12 | 41 |
| | Boys | 27 | 36 | 32 | 37 | 46 | 42 | -6 | 5 | 15 | |
| | Girls | 35 | 38 | 36 | 58 | 47 | 44 | -3 | -14 | 9 | |
| | DYP | 20 | 23 | 16 | 42 | 24 | 26 | 2 | -16 | 6 | |
| | Non-Dis | 44 | 50 | 42 | 50 | 60 | 52 | -8 | 2 | 8 | |
| | SEND | 0 | 0 | 0 | 17 | 6 | 6 | 0 | -11 | -6 | |
| English Lang | All | 40 | 50 | 43 | 56 | 52 | 54 | 2 | -2 | 14 | 43 |
| | Boys | 35 | 45 | 37 | 45 | 51 | 48 | -3 | 3 | 13 | |
| | Girls | 45 | 54 | 49 | 67 | 54 | 59 | 5 | -8 | 14 | |
| | DYP | 28 | 37 | 31 | 46 | 31 | 32 | 1 | -14 | 4 | |
| | Non-Dis | 53 | 59 | 48 | 62 | 63 | 65 | 2 | 3 | 12 | |
| | SEND | 0 | 0 | 0 | 17 | 9 | 16 | 7 | -1 | 16 | |
| Maths | All | 43 | 48 | 45 | 41 | 38 | 33 | -5 | -8 | 10 | 44 |
| | Boys | 35 | 52 | 45 | 55 | 62 | 56 | -6 | 1 | 21 | |
| | Girls | 45 | 44 | 45 | 68 | 58 | 51 | -7 | -17 | 6 | |
| | DYP | 28 | 36 | 25 | 55 | 39 | 34 | -1 | -21 | 6 | |
| | Non-Dis | 61 | 58 | 56 | 65 | 73 | 63 | -10 | -2 | 3 | |
| | SEND | 4 | 48 | 18 | 29 | 13 | 6 | -7 | -23 | 6 | |

- As with the grade 4 passes the girls, disadvantaged and SEND have been affected more than the boys and non-disadvantaged when compared to 2021.
- SEND students in maths have been affected to the greatest extent -23% on last year and -7% on target.
- Disadvantaged students slightly exceed target for all three measures exceeding targets in Basics and English and being -1% in maths.

Performance indicators brief summary

- The 4 GLC primary schools have not published attainment data in 2021, in-line with government policy. The online provision that was established during the pandemic was of a high quality with the disruption to pupils learning kept to a minimum [the exception to this is where parents have not supported their children to access learning at home on the device provided by the GLC]. As a result of the provision, the schools are in a good position to accelerate the learning of affected pupils to address any learning deficits. The internal data across the GLC provided good evidence that attainment in reading and writing for pupils in Year 6 was broadly in-line with 2019 outcomes [the last available SATs data]. The attainment for maths was less secure but the teaching of maths across the Trust is judged to be good- and supported well by the Trust's maths lead. We are making good use of 'catch-up' funding to target those pupils whose maths attainment is below expectations. With this in place, Heads of School are confident that good progress will be made.
- Across each of the 5 schools within this Trust, attendance is significantly above the National Average and a good indicator that our children like coming to school;
- Each of the GLC academies is virtually full although, in-line with historic trends, our pupil mobility is high;
- Each of the GLC academies is fully staffed, in a context where many local schools are struggling to recruit;
- For the financial year 2020-21, each GLC academy has maintained a disciplined approach to finance [driven by the GLC's Finance Director] in a challenging context. Each academy has restricted expenditure within the budget limits and has achieved a positive outturn for the year. However, in order to meet the needs of pupils' learning from home during pandemic lockdowns, the GLC Board agreed to release £120k of reserves to invest in digital devices and connectivity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and Performance (continued)

Key Performance Indicators (continued)

Budget 3-year forecasts 2021-2024

This forecast is based upon guaranteed income for the year 2021-2022 and predicted income and expenditure [based on assumption provided by ASCL [see below]] thereafter.

It is impossible to provide an accurate 3-year forecast, when the Government has not announced the funding allocation [for 2022-23 onwards] and the DfE has control of the pay increases for teachers. The figure for 2021-22 is based on actual income for the year and an assumption for pay [the Government has yet to formally confirm that there is a pay freeze for all school staff]. NB for the purposes of this forecast we have assumed that pupil numbers will remain broadly in-line with the current position.

Trusts such as the GLC, with a strong consolidated reserve position, will see this eroded in the next 3 years, but will remain in an overall surplus position. Trusts and schools in a less secure position will quickly move into deficit.

| 2022-23 | 2023-24 |
|--|--|
| ASCL assumptions | |
| - Inflationary increase of 1% to core school's funding | - Inflationary increase of 1.8% to core school's funding |
| - Teachers pay moving towards 30k minimum | - Teaching staff 3% [average] |
| - Teaching staff 3% [average] | - Support staff 1.87% |
| - Support staff 1% | - All non-staffing costs to increase by |
| - All non-staffing costs to increase by 1% | 1.87% |

3-year forecasts.

| | 2021-22 | 2022-23 | 2023-24 |
|------|------------------|------------------|------------------|
| GA | 234,147 | 222,213 | 115,727 |
| GPFS | 113,965 | 100,345 | 38,843 |
| HPA | 219,206 | 194,658 | 131,770 |
| LPA | 540,283 | 515,264 | 436,358 |
| TPA | 229,095 | 192,133 | 150,983 |
| GLC | 12,422 | 110,492 | 194,977 |
| | 1,349,118 | 1,335,105 | 1,068,658 |
| | | -14,013 | -266,447 |

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.

GATEWAY LEARNING COMMUNITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report - Financial Review

Finance Review

Most of the Gateway Learning Community's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31st August 2021 and the associated expenditure are shown as restricted funds in the statement of funds in note 20.

| GLC Academy | Reserves | Allocated Funds Purpose | Amount | Balance |
|-----------------------------|------------------|--|----------------|------------------|
| Gateway | 225,895 | 3% reserve policy emergency contingency | 0 | 225,895 |
| Gateway Primary Free School | 61,071 | 3% reserve policy emergency contingency | 0 | 61,071 |
| Herringham | 64,247 | 3% reserve policy emergency contingency | 0 | 64,247 |
| Lansdowne | 107,016 | 3% reserve policy emergency contingency | 0 | 107,016 |
| Tilbury Pioneer | 73,615 | 3% reserve policy emergency contingency | 0 | 73,615 |
| Sinking Fund | 400,000 | 100k Pioneer old building demolition | 100,000 | 300,000 |
| GLC Reserve | 900,000 | 200k completion of the Pioneer landscaping | 200,000 | 700,000 |
| School Improvement Fund | 398,156 | To fund development plan priorities over 5 yrs | 39,000 | 359,156 |
| Consolidated | 2,230,000 | | 339,000 | 1,891,000 |

Reserves Policy

The directors have reviewed the reserves of the Trust. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The level of reserves will be kept under review by the directors.

The Gateway Learning Community currently has Consolidated Reserves of £2,230k. Some of these reserves have been ringfenced for various projects. These are detailed under 'Financial Position' above.

The directors have reviewed the reserves of the Trust. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The level of reserves will be kept under review by the directors.

After ringfencing this will leave The Gateway Learning Community with a Consolidated Reserve Balance of £1,891,000

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- o permanent endowment funds
- o expendable endowment funds
- o restricted income funds
- o any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £29,967k. This balance includes unrestricted funds (free reserves) of £5,276k, which is considered appropriate for the Academy Trust, and restricted funds of deficit £3,046k, which includes restricted fixed asset funds of £45,909k and a pension deficit of £18,172k.

The amount of designations made in relation to the unrestricted reserves totals to £nil.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy recognises a significant pension fund deficit totalling to £18,172k. This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

Investment Policy

With an improved financial position the Gateway Learning Community is currently taking advice on options for investment of surplus and are creating a policy for future investment opportunities.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Fundraising

All schools raise funds for a number of registered charities. These funds are raised through sponsorship and donations; there is no obligation for any child/parent to donate. All funds/donations collected are given to the relevant charity in a timely manner. Funds are raised through various events held in the school such as non-uniform days, quiz questions etc. This will be developed further over future months.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for Future Periods

The key development areas for 2021-22 are outlined in the GLC Development Plan under the following intentions: All young people:

1. Have access to good quality teaching in every lesson, every day.
2. Are provided with high-quality (SEND) provision every day that directly meets any identified SEND/additional needs
3. Have access to a curriculum that develops young people as confident, aspirational, resilient, high-achieving, healthy, caring and fulfilled members of a diverse, truly fair, and equal community.
A wide range of extra-curricular activities will be offered at each academy that develops young people's interests, well-being, creativity and social skills.
4. Can talk confidently to a range of audiences in different contexts with clarity, age-related vocabulary.
5. Have a secure age-related understanding of mathematical concepts, can solve problems and apply these in real life contexts.
6. Are safe, inspired, creative, connected and confident digital citizens
7. Are empowered to achieve good personal development, behaviour and wellbeing.
8. Have an excellent start to their journey through the GLC across all aspects of learning and development through a unified approach to Early Years provision;

Strategic Intentions

1. To develop and expand the training and development of our own teaching workforce and to maintain the well-being of all staff;
2. To launch the single bank account and consolidate the budget reporting systems
3. To update the 5 year site plans for each academy and link these to the 3-year budget forecasts
4. To implement the CEO succession plan
5. To successfully introduce Nursery provision at GPFS and work towards Nursery provision at HPA
6. To secure the reputation of the GLC as:
 - A Trust that delivers its stated mission, operates under an agreed set of values, improves upon its best and 'makes the weather';
 - The preferred choice for Year 6 students applying for places for Year 7 [and a natural transition pathway within the GLC];
 - A partner in community projects including:
 - Tilbury Towns' Fund
 - Tilbury FC Development
 - Kinetica Bloco / Thurrock Music Service
 - Ormiston / Lotter Funded Social Activism

Funds Held as Custodian Trustee on Behalf of Others

The Gateway Learning Community and its trustees did not act as custodian trustee during the current or previous period.

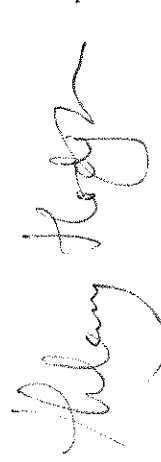
Auditor

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, was approved by order of the board of trustees, as the company directors, on 6 December 2021 and signed on the board's behalf by:

Hilary Hodgson
Chair of Trustees



GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that The Gateway Learning Community 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 CEO as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Gateway Learning Community Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the 12 month period. Attendance during the year at meetings of the board of trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------------------------|-------------------|-------------------|
| H Hodgson (Chair) | 6 | 6 |
| L Pritchard | 4 | 6 |
| L Harris | 6 | 6 |
| G Foster | 6 | 6 |
| P Ward | 6 | 6 |
| B Seaton-Wood (Appointed during year) | 2 | 4 |
| P Connew | 5 | 6 |
| R Bhalla | 2 | 6 |
| K Sadler (CEO) | 6 | 6 |

Trustees typically also serve on a number of other sub committees, as set out on the school website.

The finance committee is a sub-committee of the main board of trustees. Its purpose is to receive financial monitoring reports from individual academies and consider individual academy budget proposals for authorization. It will also review all financial policies including Financial Authority and Business Policy. Internal Scrutiny and Audit reports will be analyzed and discussed at this committee.

No significant issues to note were dealt with during the period.

Attendance during the year at meetings of the board of trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|------------------|-------------------|-------------------|
| P Connew (Chair) | 4 | 4 |
| P Ward | 3 | 4 |
| G Foster | 4 | 4 |
| K Sadler | 4 | 4 |
| J Jones | 4 | 4 |
| L Pritchard | 4 | 4 |

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money

As accounting officer the CEO 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 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 GLC for the period 1st September 2020 to 31 August 2021 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 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided: On a termly basis, the internal auditor will report to the Board of trustees, through a report to the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The Internal Scrutiny Process was delayed by Covid 19 but one review in relation to catering was undertaken in the last financial year and a plan is now in place for the next 12 months. The Finance Committee has appointed SBM Services as Internal Auditor.

Review of Effectiveness

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

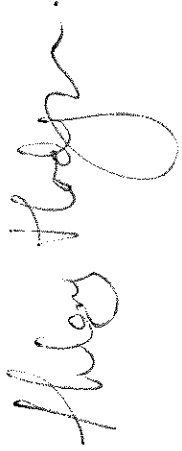
- o the work of the external auditors;
- o the financial management and governance self-assessment process; and
- o the work of the Support Services Manages within the GLC who have responsibility for the development and maintenance of the internal control framework.

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

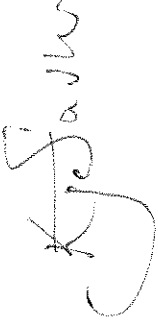
GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of trustees on 6 December 2021 and signed on their behalf by:

Hilary Hodgson
Chair of Trustees



Kevin Sadler
Accounting Officer



GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Gateway Learning Community I have considered my responsibility to notify the academy 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, under the funding agreement in place between the academy 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 board of trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy'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.



Kevin Sadler
Accounting Officer
Date: 6 December 2021

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

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

Company law requires the trustees to prepare financial statements for each financial . 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 of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- 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 6 December 2021 and signed on its behalf by:

Hilary Hodgson
Chair of Trustees



GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GATEWAY LEARNING COMMUNITY**

Opinion

We have audited the financial statements of Gateway Learning Community (the 'academy') for the 12 months period ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the 12 months period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GATEWAY LEARNING COMMUNITY (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 including the Strategic report for the financial 12 months period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the academy 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'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 or to cease operations, or have no realistic alternative but to do so.

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GATEWAY LEARNING COMMUNITY (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also inquired about management's own identification and assessment of the risks of irregularities. We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and Charities SORP Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

The audit engagement team analysed the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business. In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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 Auditors' report.


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 Auditors' report.

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GATEWAY LEARNING COMMUNITY (CONTINUED)**

Use of our report

This report is made solely to the academy'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's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

 for *Landau Baker Limited*

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

6 December 2021

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GATEWAY LEARNING COMMUNITY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 26 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Gateway Learning Community during the 12 months period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Gateway Learning Community's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Gateway Learning Community's funding agreement with the Secretary of State for Education dated 1 September 2015 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 12 months period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GATEWAY
LEARNING COMMUNITY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the 12 months period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

London Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 6 December 2021

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

| | Note | Unrestricted funds 2021 | Restricted funds 2021 | Restricted fixed asset funds 2021 | Total funds 2021 | Total funds 2020 |
|---|------|-------------------------------|-----------------------------|--|------------------------|------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 54 | - | 505 | 559 | 1,652 |
| Charitable activities | 4 | - | 18,397 | - | 18,397 | 17,173 |
| Other trading activities | 5 | 344 | 33 | - | 378 | 599 |
| Investments | 6 | 1 | - | - | 1 | 13 |
| Total income | | 399 | 18,430 | 505 | 19,334 | 19,437 |
| Expenditure on: | | | | | | |
| Raising funds | | - | - | - | - | 15 |
| Charitable activities | 8 | - | 19,375 | 1,423 | 20,798 | 20,255 |
| Total expenditure | | - | 19,375 | 1,423 | 20,798 | 20,270 |
| Net income/(expenditure) | | 399 | (945) | (918) | (1,464) | (833) |
| Transfers between funds | 20 | - | (507) | 507 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 399 | (1,452) | (411) | (1,464) | (833) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 27 | - | (1,341) | - | (1,341) | (2,587) |
| Net movement in funds | | 399 | (2,793) | (411) | (2,805) | (3,420) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 4,877 | (18,425) | 46,320 | 32,772 | 36,192 |
| Net movement in funds | | 399 | (2,793) | (411) | (2,805) | (3,420) |
| Total funds carried forward | | 5,276 | (21,218) | 45,909 | 29,967 | 32,772 |

The Statement of financial activities includes all gains and losses recognised in the 12 months period.

The notes on pages 25 to 48 form part of these financial statements.

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)
REGISTERED NUMBER: 05853746

BALANCE SHEET
AS AT 31 AUGUST 2021

| | Note | 2021 | 2020 |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 15 | 46,175 | 46,031 |
| | | <u>46,175</u> | <u>46,031</u> |
| Current assets | | | |
| Stocks | 16 | 23 | 23 |
| Debtors | 17 | 462 | 401 |
| Cash at bank and in hand | | 2,874 | 3,070 |
| | | <u>3,359</u> | <u>3,494</u> |
| Creditors: amounts falling due within one year | 18 | (1,115) | (1,223) |
| | | <u>2,244</u> | <u>2,271</u> |
| Net current assets | | <u>48,419</u> | <u>48,302</u> |
| Total assets less current liabilities | | <u>(280)</u> | <u>-</u> |
| Creditors: amounts falling due after more than one year | 19 | 48,139 | 48,302 |
| Net assets excluding pension liability | | <u>(18,172)</u> | <u>(15,530)</u> |
| Defined benefit pension scheme liability | 27 | 29,967 | 32,772 |
| | | <u>29,967</u> | <u>32,772</u> |
| Total net assets | | <u>29,967</u> | <u>32,772</u> |
| Funds of the academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 20 | 45,909 | 46,320 |
| Restricted income funds | 20 | (3,046) | (2,895) |
| | | <u>42,863</u> | <u>43,425</u> |
| Restricted funds excluding pension asset | 20 | (18,172) | (15,530) |
| Pension reserve | 20 | 24,691 | 27,895 |
| | | <u>5,276</u> | <u>4,877</u> |
| Total restricted funds | | <u>29,967</u> | <u>32,772</u> |
| Unrestricted income funds | | | |
| Total funds | | <u>29,967</u> | <u>32,772</u> |

The financial statements on pages 22 to 48 were approved by the trustees, and authorised for issue on 06 December 2021 and are signed on their behalf, by:

Hilary Hodgson
Chair of Trustees

The notes on pages 25 to 48 form part of these financial statements.

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

| | 2021 | 2020 |
|---|-----------------|----------------|
| | Note | |
| Cash flows from operating activities | | |
| Net cash provided by operating activities | 22 587 | 588 |
| Cash flows from investing activities | | |
| Cash flows from investing activities | 24 (1,061) | (1,940) |
| Cash flows from financing activities | | |
| Cash flows from financing activities | 23 278 | (2) |
| Change in cash and cash equivalents in the 12 months period | (196) | (1,354) |
| Cash and cash equivalents at the beginning of the 12 months period | 3,070 | 4,424 |
| Cash and cash equivalents at the end of the 12 months period | 2,874 | 3,070 |

The notes on pages 25 to 48 form part of these financial statements

GATEWAY LEARNING COMMUNITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The 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 academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

- **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.

1.4 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is provided on the following bases:

| | |
|------------------------|---------------------|
| Leasehold property | - 2% straight line |
| Furniture and fixtures | - 10% straight line |
| Motor vehicles | - 33% straight line |
| Computer equipment | - 33% straight line |
| Motor vehicles | - |

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

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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1. Accounting policies (continued)

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

1.10 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases 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 17. Prepayments are not financial instruments. Amounts due to the academy'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.

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 18 and 19. 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 the academy's wholly owned subsidiary are held at face value less any impairment.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.11 Pensions

Retirement benefits to employees of the academy 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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.12 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

| | Unrestricted funds 2021 | Restricted fixed asset funds 2021 | Total funds 2021 | Total funds 2020 |
|-------------------|-------------------------|-----------------------------------|------------------|------------------|
| Donations | 54 | - | 54 | 13 |
| Capital Grants | - | 505 | 505 | 1,639 |
| | 54 | 505 | 559 | 1,652 |
| | 13 | 1,639 | 1,652 | |
| <i>Total 2020</i> | | | | |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

4. Funding for the academy's educational activities

| | Restricted funds 2021 | Total funds 2021 | Total funds 2020 |
|---|-----------------------------|------------------------|------------------------|
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | 14,454 | 14,454 | 13,328 |
| Other DfE/ESFA grants | | | |
| Pupil Premium | 1,537 | 1,537 | 1,493 |
| UIFSM | 249 | 249 | 251 |
| Others | 880 | 880 | 902 |
| | <u>17,120</u> | <u>17,120</u> | <u>15,974</u> |
| Other Government grants | | | |
| Local Authority Grants | 834 | 834 | 752 |
| | <u>834</u> | <u>834</u> | <u>752</u> |
| Other income from the academy's educational activities | - | - | 447 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Catch-up Premium | 235 | 235 | - |
| Other DfE/ESFA Covid-19 funding | 208 | 208 | - |
| | <u>443</u> | <u>443</u> | <u>-</u> |
| | <u>18,397</u> | <u>18,397</u> | <u>17,173</u> |
| Total 2020 | <u>17,173</u> | <u>17,173</u> | <u>17,173</u> |

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy trust received £235k of funding for catch-up premium and costs incurred in respect of this funding totalled £27k, with the remaining £208k to be spent in 2021/22.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

5. Income from other trading activities

| | Unrestricted funds 2021 | Restricted funds 2021 | Total funds 2021 | Total funds 2020 |
|--------------------|-------------------------------|-----------------------------|------------------------|------------------------|
| Hire of facilities | 32 | - | 32 | 42 |
| Catering income | 205 | - | 205 | 283 |
| Sundry income | 107 | 32 | 139 | 175 |
| Trip income | - | 1 | 1 | 99 |
| <i>Total 2020</i> | <u>344</u> | <u>33</u> | <u>377</u> | <u>599</u> |
| | <u>448</u> | <u>151</u> | <u>599</u> | |

6. Investment income

| | Unrestricted funds 2021 | Total funds 2021 | Total funds 2020 |
|-------------------|-------------------------------|------------------------|------------------------|
| Investment income | 1 | 1 | 13 |
| <i>Total 2020</i> | <u>13</u> | <u>13</u> | |

7. Expenditure

| | Staff Costs 2021 | Premises 2021 | Other 2021 | Total 2021 | Total 2020 |
|---|---------------------|------------------|---------------|---------------|---------------|
| Expenditure on raising voluntary income: | - | - | - | - | 15 |
| Direct costs | | | | | |
| Educational activities: | | | | | |
| Direct costs | 13,220 | - | 971 | 14,191 | 13,801 |
| Allocated support costs | 2,847 | 1,157 | 2,603 | 6,607 | 6,454 |
| <i>Total 2020</i> | <u>16,067</u> | <u>1,157</u> | <u>3,574</u> | <u>20,798</u> | <u>20,270</u> |
| | <u>15,279</u> | <u>1,206</u> | <u>3,785</u> | <u>20,270</u> | |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2021 | Total funds 2021 | Total funds 2020 |
|------------------------|--------------------------|---------------------|---------------------|
| Educational activities | 20,798 | 20,798 | 20,255 |
| <i>Total 2020</i> | <u>20,255</u> | <u>20,255</u> | |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2021 | Support costs 2021 | Total funds 2021 | Total funds 2020 |
|------------------------|--|-----------------------|---------------------|---------------------|
| Educational activities | 14,191 | 6,607 | 20,798 | 20,255 |
| <i>Total 2020</i> | <u>13,801</u> | <u>6,454</u> | <u>20,255</u> | |

Analysis of direct costs

| | Educational activities 2021 | Total funds 2021 | Total funds 2020 |
|-------------------------|--------------------------------|---------------------|---------------------|
| Staff costs | 13,196 | 13,196 | 12,810 |
| Educational supplies | 307 | 307 | 251 |
| Examination fees | 83 | 83 | 86 |
| Staff development | 51 | 51 | 92 |
| Technology costs | 322 | 322 | 144 |
| Travel and subsistence | - | - | 21 |
| Other direct costs | 77 | 77 | 227 |
| Professional curriculum | 131 | 131 | 103 |
| Teaching supply costs | 24 | 24 | 67 |
| <i>Total 2020</i> | <u>14,191</u> | <u>14,191</u> | <u>13,801</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Educational activities 2021 | Total funds 2021 | Total funds 2020 |
|---------------------------------------|-----------------------------------|------------------------|------------------------|
| Pension finance costs | 245 | 245 | 218 |
| Staff costs | 1,792 | 1,792 | 1,600 |
| Depreciation | 1,423 | 1,423 | 1,761 |
| Professional fees | 52 | 52 | 224 |
| Recruitment and support | 62 | 62 | 153 |
| Maintenance of premises and equipment | 512 | 512 | 455 |
| Cleaning | 134 | 134 | 45 |
| Energy costs | 311 | 311 | 279 |
| Rent and rates | 128 | 128 | 131 |
| Insurance | 73 | 73 | 67 |
| Security and transport | 12 | 12 | 25 |
| Catering | 554 | 554 | 440 |
| Bank interest and charges | 15 | 15 | 14 |
| Other support costs | 217 | 217 | 234 |
| Governance costs | 21 | 21 | 21 |
| Non cash pension costs | 1,056 | 1,056 | 787 |
| | <u>6,607</u> | <u>6,607</u> | <u>6,454</u> |
| | <u>6,454</u> | <u>6,454</u> | |

Total 2020

In the current year, the non-cash pension costs have been re-allocated to a separate line within the Support Costs Note 9. This cost used to be included within the Staff Costs line within this Note. In turn, the Expenditure Note 7 and the Staff costs Note 11a have been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Net income/(expenditure)

Net income/(expenditure) for the 12 months period includes:

| | 2021 | 2020 |
|---------------------------------------|-------|-------|
| Operating lease rentals | 84 | 47 |
| Depreciation of tangible fixed assets | 1,423 | 1,761 |
| Fees paid to auditors for: | | |
| - audit | 15 | 15 |
| - other services | 3 | 3 |
| | 15 | 15 |

11. Staff

a. Staff costs

Staff costs during the 12 months period were as follows:

| | 2021 | 2020 |
|------------------------|--------|--------|
| Wages and salaries | 12,479 | 11,502 |
| Social security costs | 874 | 1,062 |
| Pension costs | 1,634 | 1,861 |
| | 14,987 | 14,425 |
| Teaching supply costs | 24 | 67 |
| Non cash pension costs | 1,056 | 787 |
| | 16,067 | 15,279 |

In the current year, the non-cash pension costs have been re-allocated to a separate line within the Support Costs Note 9. This cost used to be included within the Staff Costs line within this Note. In turn, the Expenditure Note 7 and the Staff costs Note 11a have been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021

11. Staff (continued)

b. Staff numbers

The average number of persons employed by the academy during the 12 months period was as follows:

| | 2021 No. | 2020 No. |
|----------------------------|-------------|-------------|
| Teachers | 168 | 168 |
| Administration and support | 263 | 263 |
| Management | 16 | 16 |
| | <u>447</u> | <u>447</u> |

The average headcount expressed as full-time equivalents was:

| | 2021 No. | 2020 No. |
|----------------------------|-------------|-------------|
| Teachers | 159 | 159 |
| Administration and support | 200 | 200 |
| Management | 16 | 16 |
| | <u>375</u> | <u>375</u> |

c. Higher paid staff

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

| | 2021 No. | 2020 No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 13 | 12 |
| In the band £70,001 - £80,000 | 3 | 3 |
| In the band £80,001 - £90,000 | 2 | 2 |
| In the band £90,001 - £100,000 | 1 | - |
| In the band £100,001 - £110,000 | 1 | 1 |
| In the band £110,001 - £120,000 | 1 | 1 |
| In the band £140,001 - £150,000 | 1 | 1 |
| | <u>1</u> | <u>1</u> |

d. Key management personnel

The key management personnel of the academy 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 was £866,000 (2020 £839,000).

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12. Central services

The academy has provided the following central services to its academies during the 12 months period:

- Finance support and consolidated services
- Site oversight and cover support
- Educational welfare support
- Attendance services
- Speech therapy services
- Educational psychologist services
- Curriculum support
- Extended provision support

The academy charges for these services on the following basis:

Through the provision of a central fund created from a 5% top slice of each academies budget.

The actual amounts charged during the 12 months period were as follows:

| | 2021 | 2020 |
|---------------------------------|------------|------------|
| The Gateway Academy | 356 | 321 |
| The Gateway Primary Free School | 89 | 97 |
| Herringham Primary Academy | 107 | 96 |
| Lansdowne Primary Academy | 252 | 147 |
| Tilbury Primary Academy | 159 | 109 |
| Total | 963 | 770 |

13. Related Party Transactions- Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy. 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 trustees' remuneration and other benefits was as follows:

| | 2021 | 2020 |
|---------------|----------------------------|-----------|
| K Sadler, CEO | 145 - 150 | 145 - 150 |
| | 35 - 40 | 30 - 35 |
| | Remuneration | |
| | Pension contributions paid | |

During the 12 months period ended 31 August 2021, no trustee expenses have been incurred (2020 - £ NIL).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the 12 months period ended 31 August 2021 was £4,450 (2020 - £4,450).

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FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021**

15. Tangible fixed assets

| | Long-term leasehold property | Furniture and equipment | Computer equipment | Motor vehicles | Total |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|-------------------|--------|
| Cost or valuation | | | | | |
| At 1 September 2020 | 54,247 | 1,632 | 2,765 | 76 | 58,720 |
| Additions | 872 | 207 | 488 | - | 1,567 |
| At 31 August 2021 | 55,119 | 1,839 | 3,253 | 76 | 60,287 |
| Depreciation | | | | | |
| At 1 September 2020 | 8,876 | 1,191 | 2,546 | 76 | 12,689 |
| Charge for the 12 months period | 1,085 | 81 | 257 | - | 1,423 |
| At 31 August 2021 | 9,961 | 1,272 | 2,803 | 76 | 14,112 |

Net book value

| | | | | | |
|-------------------|--------|-----|-----|---|--------|
| At 31 August 2021 | 45,158 | 567 | 450 | - | 46,175 |
| At 31 August 2020 | 45,371 | 441 | 219 | - | 46,031 |

16. Stocks

Clothing

| | | |
|--|------|------|
| | 2021 | 2020 |
| | 23 | 23 |

17. Debtors

Due within one year

Trade debtors

Other debtors

Prepayments and accrued income

| | | |
|--------------------------------|------|------|
| | 2021 | 2020 |
| Trade debtors | 7 | 14 |
| Other debtors | 78 | 19 |
| Prepayments and accrued income | 377 | 368 |
| | 462 | 401 |

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18. Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|------------------------------------|-------|-------|
| Other loans | 10 | 12 |
| Trade creditors | 17 | 29 |
| Other taxation and social security | 297 | 252 |
| Other creditors | 283 | 125 |
| Accruals and deferred income | 508 | 805 |
| | 1,115 | 1,223 |
| | 1,115 | 1,223 |

Deferred income at 1 September 2020

Resources deferred during the 12 months period

Amounts released from previous periods

| | 2021 | 2020 |
|--|-------|-------|
| | 268 | 294 |
| | 393 | 268 |
| | (268) | (294) |
| | 393 | 268 |
| | 393 | 268 |

At the balance sheet date the academy trust was holding funds received in advance for rates relief income, UIFSM grant income and other income.

19. Creditors: Amounts falling due after more than one year

| | 2021 | 2020 |
|-------------|------|------|
| Other loans | 280 | - |
| | 280 | - |
| | 280 | - |

GATEWAY LEARNING COMMUNITY
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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

| | Balance at 1 September 2020 | Income | Expenditure | Transfers in/out | Gains/ (Losses) | Balance at 31 August 2021 |
|---------------------------------|-----------------------------------|---------------|-----------------|---------------------|--------------------|---------------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 4,877 | 399 | - | - | - | 5,276 |
| Restricted general funds | | | | | | |
| GAG | (2,895) | 14,454 | (14,306) | (507) | - | (3,254) |
| Pupil premium | - | 1,537 | (1,537) | - | - | - |
| Other ESFA funding | - | 880 | (880) | - | - | - |
| LA and other government grants | - | 834 | (834) | - | - | - |
| Catch-up premium | - | 235 | (27) | - | - | 208 |
| Other Df/ESFA Covid-19 funding | - | 208 | (208) | - | - | - |
| UIFSM | - | 249 | (249) | - | - | - |
| General funds | - | 33 | (33) | - | - | - |
| Pension reserve | (15,530) | - | (1,301) | - | (1,341) | (18,172) |
| | <u>(18,425)</u> | <u>18,430</u> | <u>(19,375)</u> | <u>(507)</u> | <u>(1,341)</u> | <u>(21,218)</u> |

Restricted fixed asset funds

| | | | | | | |
|--|----------------------|----------------------|------------------------|-----------------|-----------------------|----------------------|
| Restricted Fixed Asset Funds - all funds | 46,320 | 505 | (1,423) | 507 | - | 45,909 |
| Total Restricted funds | <u>27,895</u> | <u>18,935</u> | <u>(20,798)</u> | <u>-</u> | <u>(1,341)</u> | <u>24,691</u> |
| Total funds | <u><u>32,772</u></u> | <u><u>19,334</u></u> | <u><u>(20,798)</u></u> | <u><u>-</u></u> | <u><u>(1,341)</u></u> | <u><u>29,967</u></u> |

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

Restricted general funds represent grants received for the Gateway Learning Community's operational activities and development.

Restricted fixed asset fund relates to funding received from the DfE, ESFA and private sponsors to carry out works of a capital nature.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Unrestricted funds are funds available to the Governors to apply for the general purposes of the Gateway Learning Community.

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

Comparative information in respect of the preceding 12 months period is as follows:

| | <i>Balance at 1 September 2019</i> | <i>Income</i> | <i>Expenditure</i> | <i>Transfers in/out</i> | <i>Gains/ (Losses)</i> | <i>Balance at 31 August 2020</i> |
|---------------------------------|--|---------------|--------------------|-----------------------------|----------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 4,418 | 474 | (15) | - | - | 4,877 |
| Restricted general funds | | | | | | |
| GAG | (1,963) | 13,328 | (13,493) | (767) | - | (2,895) |
| Pupil premium | - | 1,493 | (1,493) | - | - | - |
| Other ESFA funding | - | 902 | (902) | - | - | - |
| LA and other government grants | - | 752 | (752) | - | - | - |
| UIFSM | - | 251 | (251) | - | - | - |
| General funds | - | 598 | (598) | - | - | - |
| Pension reserve | (11,938) | - | (1,005) | - | (2,587) | (15,530) |
| | <u>(13,901)</u> | <u>17,324</u> | <u>(18,494)</u> | <u>(767)</u> | <u>(2,587)</u> | <u>(18,425)</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 AUGUST 2021**

20. Statement of funds (continued)

| | Balance at 1 September 2019 | Income | Expenditure | Transfers in/out | Gains/ (Losses) | Balance at 31 August 2020 |
|--|-----------------------------------|----------------------|------------------------|---------------------|-----------------------|---------------------------------|
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - all funds | 45,675 | - | (1,761) | 767 | - | 44,681 |
| Condition Improvement Fund | - | 1,639 | - | - | - | 1,639 |
| | <u>45,675</u> | <u>1,639</u> | <u>(1,761)</u> | <u>767</u> | <u>-</u> | <u>46,320</u> |
| Total Restricted funds | <u>31,774</u> | <u>18,963</u> | <u>(20,255)</u> | <u>-</u> | <u>(2,587)</u> | <u>27,895</u> |
| Total funds | <u><u>36,192</u></u> | <u><u>19,437</u></u> | <u><u>(20,270)</u></u> | <u><u>-</u></u> | <u><u>(2,587)</u></u> | <u><u>32,772</u></u> |

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

| | 2021 | 2020 |
|--|----------------------|----------------------|
| The Gateway Academy | 156 | 137 |
| The Gateway Primary Free School | 174 | 194 |
| Herringham Primary Academy | 372 | 297 |
| Lansdowne Primary Academy | 891 | 840 |
| Tilbury Pioneer Primary School | 637 | 514 |
| | <u>2,230</u> | <u>1,982</u> |
| Total before fixed asset funds and pension reserve | <u>45,909</u> | <u>46,320</u> |
| Restricted fixed asset fund | <u>(18,172)</u> | <u>(15,530)</u> |
| Pension reserve | <u>29,967</u> | <u>32,772</u> |
| Total | <u><u>29,967</u></u> | <u><u>32,772</u></u> |

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20. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the 12 months period was as follows:

| | Teaching and educational support staff costs | Other support staff costs | Educational supplies | Other costs excluding depreciation | Total 2021 | Total 2020 |
|---|--|---------------------------|----------------------|------------------------------------|---------------|---------------|
| The Gateway Academy | 5,590 | 1,102 | 206 | 1,086 | 7,984 | 8,552 |
| The Gateway Primary Free School | 1,730 | 110 | 96 | 325 | 2,261 | 2,164 |
| Herringham Primary Academy | 1,374 | 165 | 63 | 482 | 2,084 | 2,165 |
| Lansdowne Primary Academy | 2,622 | 245 | 111 | 725 | 3,703 | 3,542 |
| Tilbury Pioneer Primary School | 1,904 | 169 | 61 | 597 | 2,731 | 2,651 |
| Intercompany costs removed on consolidation | - | - | - | (689) | (689) | (565) |
| LGPS costs | - | 1,056 | - | 245 | 1,301 | - |
| | <u>13,220</u> | <u>2,847</u> | <u>537</u> | <u>2,771</u> | <u>19,375</u> | <u>18,509</u> |

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 | Restricted funds 2021 | Restricted fixed asset funds 2021 | Total funds 2021 |
|--|-------------------------|-----------------------|-----------------------------------|------------------|
| Tangible fixed assets | - | - | 46,175 | 46,175 |
| Current assets | 5,276 | (1,931) | 14 | 3,359 |
| Creditors due within one year | - | (1,115) | - | (1,115) |
| Creditors due in more than one year | - | - | (280) | (280) |
| Provisions for liabilities and charges | - | (18,172) | - | (18,172) |
| Total | <u>5,276</u> | <u>(21,218)</u> | <u>45,909</u> | <u>29,967</u> |

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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 | Restricted funds 2020 | Restricted fixed asset funds 2020 | Total funds 2020 |
|--|-------------------------------|-----------------------------|--|------------------------|
| Tangible fixed assets | - | - | 46,031 | 46,031 |
| Current assets | 4,877 | (1,672) | 289 | 3,494 |
| Creditors due within one year | - | (1,223) | - | (1,223) |
| Provisions for liabilities and charges | - | (15,530) | - | (15,530) |
| Total | <u>4,877</u> | <u>(18,425)</u> | <u>46,320</u> | <u>32,772</u> |

22. Reconciliation of net expenditure to net cash flow from operating activities

| | 2021 | 2020 |
|---|----------------|--------------|
| Net expenditure for the year (as per Statement of financial activities) | <u>(1,464)</u> | <u>(833)</u> |
| Adjustments for: | | |
| Depreciation | 1,423 | 1,761 |
| Capital grants from DfE and other capital income | (505) | (1,639) |
| Interest receivable | (1) | (13) |
| Defined benefit pension scheme cost less contributions payable | 1,056 | 787 |
| Defined benefit pension scheme finance cost | 245 | 218 |
| (Increase)/decrease in debtors | (61) | 189 |
| (Decrease)/increase in creditors | (106) | 118 |
| Net cash provided by operating activities | <u>587</u> | <u>588</u> |

23. Cash flows from financing activities

| | 2021 | 2020 |
|--|------------|------------|
| Cash inflows from new borrowing | 300 | - |
| Repayments of borrowing | (22) | (2) |
| Net cash provided by/(used in) financing activities | <u>278</u> | <u>(2)</u> |

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24. Cash flows from investing activities

| | 2021 | 2020 |
|--|----------------|----------------|
| Dividends, interest and rents from investments | 1 | 13 |
| Purchase of tangible fixed assets | (1,567) | (3,592) |
| Capital grants from DfE Group | 505 | 1,639 |
| Net cash used in investing activities | (1,061) | (1,940) |

25. Analysis of cash and cash equivalents

| | | |
|--|--------------|--------------|
| Cash in hand and at bank | 2021 | 2020 |
| | 2,874 | 3,070 |
| Total cash and cash equivalents | 2,874 | 3,070 |

26. Analysis of changes in net debt

| | At 1 September 2020 | Cash flows August 2021 | At 31 August 2021 |
|--------------------------|---------------------------|---------------------------|----------------------|
| Cash at bank and in hand | 3,070 | (196) | 2,874 |
| Debt due within 1 year | (12) | 2 | (10) |
| Debt due after 1 year | - | (280) | (280) |
| | 3,058 | (474) | 2,584 |

27. Pension commitments

The academy'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 Essex County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2021.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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27. Pension commitments (continued)

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. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the 12 months period amounted to £1,313,000 (2020 - £1,179,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the 12 months period ended 31 August 2021 was £988,000 (2020 - £912,000), of which employer's contributions totalled £771,000 (2020 - £707,000) and employees' contributions totalled £ 217,000 (2020 - £205,000). The agreed contribution rates for future years are 12.2 per cent for employers and 5.5 - 6.5 per cent for employees.

As described in note 1.11 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the 12 months period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

Principal actuarial assumptions

| | | |
|--|------|------|
| Essex Pension Fund | 2021 | 2020 |
| | % | % |
| Rate of increase in salaries | 3.85 | 3.25 |
| Rate of increase for pensions in payment/inflation | 2.85 | 2.25 |
| Discount rate for scheme liabilities | 1.65 | 1.60 |

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

| | | |
|-----------------------------|-------|-------|
| <i>Retiring today</i> | 2021 | 2020 |
| | Years | Years |
| Males | 21.9 | 21.8 |
| Females | 23.8 | 23.8 |
| <i>Retiring in 20 years</i> | | |
| Males | 23.3 | 23.2 |
| Females | 25.3 | 25.2 |

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27. Pension commitments (continued)

Share of scheme assets

The academy's share of the assets in the scheme was:

| | 2021 | 2020 |
|-------------------------------------|----------------------|----------------------|
| Equities | 9,042 | 6,697 |
| Debt instruments | 1,013 | 1,068 |
| Property | 986 | 840 |
| Cash | 393 | 294 |
| Other | 2,692 | 1,912 |
| Total market value of assets | <u><u>14,126</u></u> | <u><u>10,811</u></u> |

The actual return on scheme assets was £988,000 (2020 - £301,000).

The amounts recognised in the Statement of financial activities are as follows:

| | 2021 | 2020 |
|---|-----------------------|-----------------------|
| Current service cost | (1,820) | (1,486) |
| Interest income | 181 | 211 |
| Interest cost | (426) | (429) |
| Administrative expenses | (7) | (8) |
| Total amount recognised in the Statement of financial activities | <u><u>(2,072)</u></u> | <u><u>(1,712)</u></u> |

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

| | 2021 | 2020 |
|------------------------|----------------------|----------------------|
| At 1 September | 26,341 | 22,961 |
| Current service cost | 1,820 | 1,486 |
| Interest cost | 426 | 429 |
| Employee contributions | 217 | 205 |
| Actuarial losses | 3,730 | 1,510 |
| Benefits paid | (236) | (250) |
| At 31 August | <u><u>32,298</u></u> | <u><u>26,341</u></u> |

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27. Pension commitments (continued)

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

| | 2021 | 2020 |
|--------------------------|----------------------|----------------------|
| At 1 September | 10,811 | 11,023 |
| Interest income | 181 | 211 |
| Actuarial gains/(losses) | 2,389 | (1,077) |
| Employer contributions | 771 | 707 |
| Employee contributions | 217 | 205 |
| Benefits paid | (236) | (250) |
| Administrative expenses | (7) | (8) |
| | <u>14,126</u> | <u>10,811</u> |
| At 31 August | <u><u>14,126</u></u> | <u><u>10,811</u></u> |

28. Operating lease commitments

At 31 August 2021 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 | 2020 |
|--|------------------|------------------|
| Not later than 1 year | 16 | 36 |
| Later than 1 year and not later than 5 years | 1 | 16 |
| | <u>17</u> | <u>52</u> |
| | <u><u>17</u></u> | <u><u>52</u></u> |

29. 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.

30. Related party transactions

Owing to the nature of the academy and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.