

Registration number: 09306360

Quest (A Church of England Schools Trust)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Quest (A Church of England Schools Trust)

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Reference and Administrative Details

Members	Mr. D. Crossley Mr. D. Thorpe Ms. J. Griffiths The Right Rev'd N. McCulloch (<i>resigned 2.3.21</i>) Baroness H. Newlove Dr. G. Walker (<i>appointed 22.11.21</i>)
Directors/Trustees	Mr. B. Anthon (Chairperson – resigned 21.9.21) Mr. G. Ashton Mrs. S Bruton (Chief Executive and Accounting Officer) Mr. H. Egan Mrs. K. Gore Professor G. Holmes (<i>appointed 16.11.20 – resigned 23.11.21</i>) Professor D. Hopkins (<i>appointed 1.12.20</i>) Mrs. J. Reynolds (Vice-Chairperson) Dr. A. Roberts (Chairperson 30.11.21) Mrs. J. Smith Mrs. L. Worthington
Principal Partnership Board	
Chief Executive Officer	Mrs. S. Bruton
Director of Education	Mrs. J. Adams
Chief Operating & Finance Officer	Mrs. J. Jones
Principal – St. Peter's Hindley	Mrs. N. Green
Principal – Hindley Green CP	Mr. T. Mooney
Principal – St. John's Hindley Green	Mr. J. Heatley
Principal – St. John's Abram	Mrs. L. James
Principal – UCS	Ms. N. Glynn
Principal (Acting) – UCS	Mr. G. Whiting
Company Name	The Keys Federation (to 10 th September 2020) QUEST (A Church of England Schools Trust) (from 11 th September 2020)
Principal and Registered Office	682 Atherton Road Hindley Green Wigan, WN2 4SQ
Company Registration Number	09306360 (England and Wales)

QUEST (A Church of England Schools Trust)

Reference and Administrative Details (continued)

Academies operated	Location	Principal
St. Peter's C. of E. Primary School	Hindley, Wigan	Mrs. N. Green
Hindley Green Community Primary School	Hindley Green, Wigan	Mr. T. Mooney
St. John's C. of E. Primary School	Hindley Green, Wigan	Mr. J. Heatley
St. John's C. of E. Primary School	Abram, Wigan	Mrs. L. Butcher
University Collegiate School	Bolton	Ms. N. Glynn
Independent Auditor	Hallidays Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD	
Bankers	Lloyds Bank 2-6 Market Street Wigan WN1 1JN	
Solicitors	Lee Bolton Monier Williams 1 The Sanctuary London SW1P 3JT	

QUEST (A Church of England Schools Trust)

Directors/Trustees Report

The Directors/Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 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 four primary schools in Wigan for pupils aged 4-11 years and one secondary school/UTC in Bolton – University Collegiate School. Its schools have a combined pupil capacity of 2100 plus 52 Nursery places and had numbers on roll (NOR) of 1,405 pupils and 35 Nursery children, at the end of July 2021.

School	Capacity	Number on roll at July 2021
St. Peter's C. of E. Primary School, Hindley	315	300
Hindley Green Community Primary School	420	390
HGCP Nursery – part time places	52	35
St. John's C. of E Primary School, Hindley Green	210	200
St. John's C. of E. Primary School, Abram	315	275
University Collegiate School	840	240

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and Anglican articles of association are the primary governing documents of the academy trust. The trustees of QUEST are also the directors of the charitable company for the purposes of company law. The charitable company operated as The Keys Federation until 11th September 2020 and now operates as QUEST (A Church of England Schools Trust).

Details of the trustees/directors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 3.

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

All schools within the Academy Trust have opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. RPA cover applies to the central infrastructure of the Trust as well as the individual schools. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring on Trust business and provides cover up to £10,000,000 during any one membership year.

<https://www.gov.uk/guidance/academies-risk-protection-arrangement-rpa>

QUEST (A Church of England Schools Trust)

Directors/Trustees Report

Method of Recruitment and Appointment of Trustees/Directors

The Members of the Trust are responsible for the appointment of Trustees/Directors and this is dependent upon their expertise, experience and skills. The number of Trustees/Directors shall be not less than three but shall not be subject to any maximum, as referenced in the articles of association (45-46a, b, c) as follows:

- a. No fewer than five Directors, appointed under Article 50 such that the number of Directors appointed under this Article always outnumbers all other Directors by at least two;
- b. Three Directors appointed by the University Sponsor;
- c. A minimum of 2 Parent Directors elected or appointed under Articles 53-56 in the event that no Local Advisory Committees are established under Article 100(a) or if no provision is made, or is planned, for at least 2 Parent Local Governors on each established Local Advisory Committee pursuant to Article 101A.

Each school has a Local Advisory Committee in place with 2 Parent representatives.

The Trust may also appoint any co-opted Trustee/Director appointed under Article 58.

Providing that the Chief Executive Officer agrees so to act, the Members may by special resolution appoint the Chief Executive Officer as a Director. The CEO was appointed by the Members as a Trustee/Director when the new articles came into effect on 1st August 2020.

Members shall ensure that the total number of any Trustees/Directors who are employees of the Trust, including the CEO, does not exceed one third of the total number of Trustees/Directors.

All Trustees/Directors are appointed for a term of four years.

Policies and Procedures adopted for the Induction and training of Trustees/Directors

Trustees/Directors are appointed based on the skills they will bring to the Board to maintain a robust overview and governance throughout the Trust. On appointment, Trustees/Directors receive information relating to the Trust, including policies and procedures, an Operating Regulations and Governance Handbook and other documents they will need to fulfil their role as trustees and directors of the Trust. An induction meeting will be undertaken to provide training on educational, legal and financial matters. It will also set out the strategy and objectives of the Trust along with the values and vision. New Trustees are also required to adhere to a Code of Conduct.

The Trust performs an annual skills audit of Trustees/Directors and appropriate training opportunities are provided throughout the year based on any identified skills/knowledge gaps. This is to enable Trustees to ensure they continue to make an effective contribution and are keeping up to date with changes in legislation.

Organisational Structure

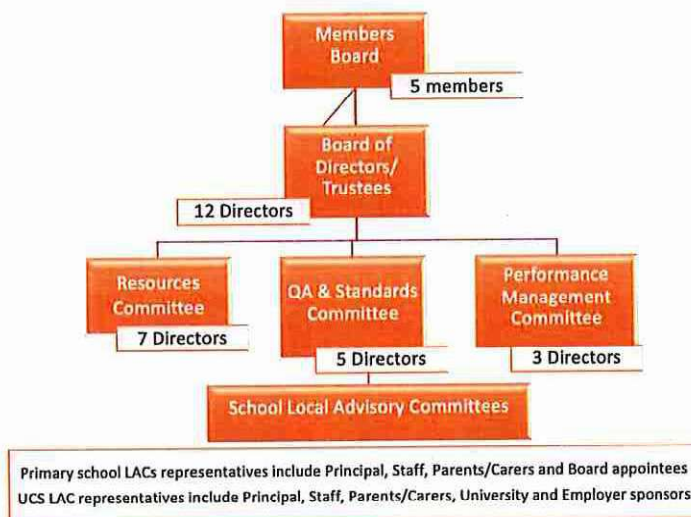
The Members of the Academy Trust have a distinct and separate role as guardians of the constitution and governance of the Trust, holding the Trustees to account for the governance of the Trust and ensuring the purpose of the Trust is being met and its charitable purposes fulfilled.

The Trust Board has overall responsibility and ultimate decision-making authority for the work of the Academy Trust, including the establishment and maintenance of the schools.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

The Trustees/Directors are responsible for setting general policy, the strategic direction and growth of the Trust, adopting an annual plan and budget, monitoring the Trust and schools by the use of financial management and other performance information, making appointments to the Trust Executive Team and approving the Annual Report and Financial Statements.



Each school has a Local Advisory Committee whose representatives include Principals, Staff, Parents/Carers and Board appointees. The UCS LAC also contains representatives from the University and Employer sponsors.

The Board of Trustees/Directors meet at least half-termly with the first meeting in each academic year being the business meeting. The Trustee/Director committees for Resources, Quality Assurance & Standards and Performance Management and the Local Advisory Committees (LAC) for each school meet at least once per term. Reports from Trustee/Director Committees and the LACs are received, scrutinised and ratified by the Trustees/Directors. LAC representatives make regular visits to all schools within the Trust, including attending LAC meetings and supporting functions and events.

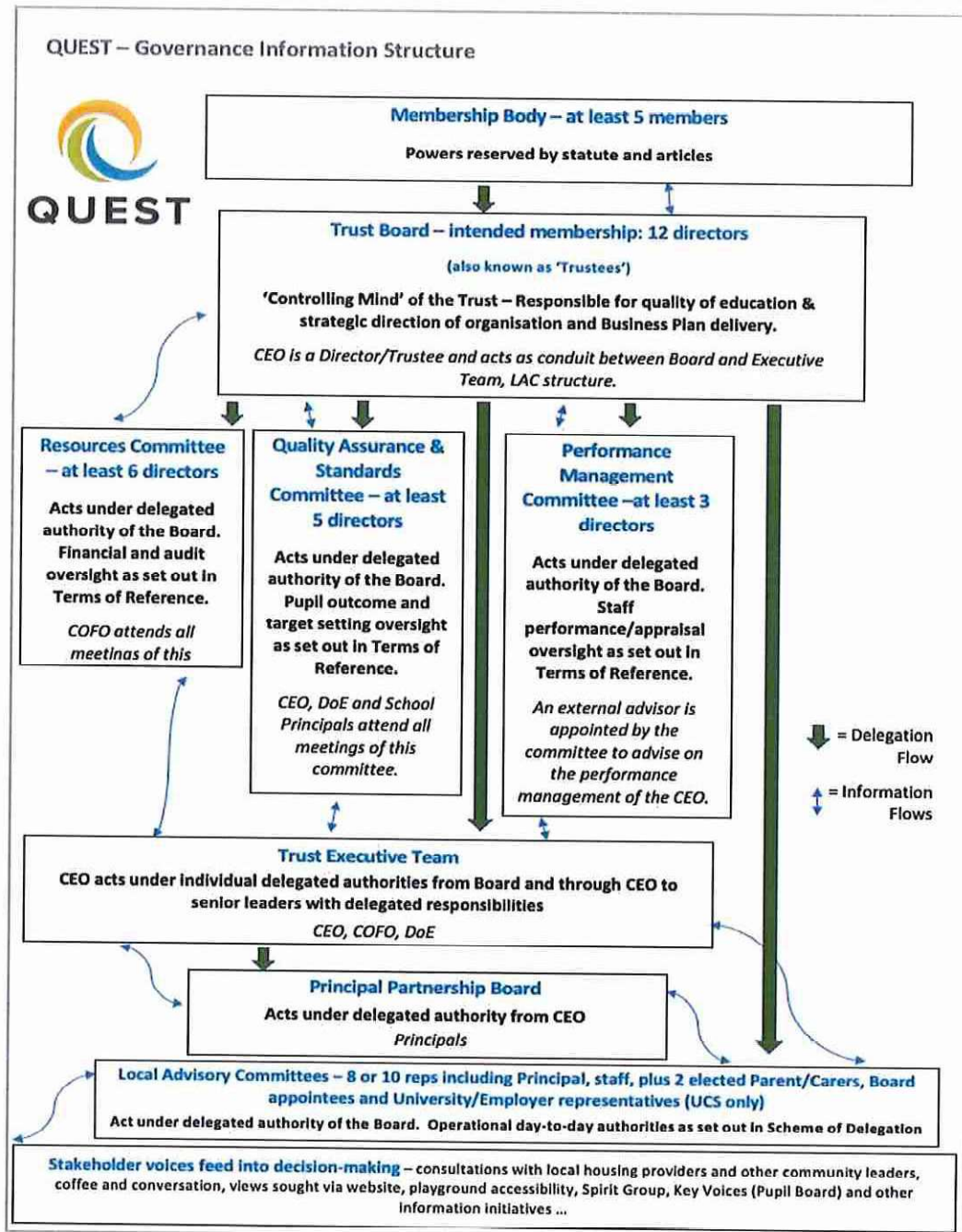
Governance of the Trust is defined in the Articles of Association together with the Master and Supplemental Funding Agreements with the Department for Education.

Roles and responsibilities of Trustees/Directors, LAC representatives, Trust Executive Team and School Senior Leaders are clearly defined in the Trust's Scheme of Delegation and encourage decision making at all levels.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

The Governance delegation/information flow is outlined as follows:



The Chief Executive Officer is the Accounting Officer. The strategic leadership of the Trust is delegated to the Trust Executive Team, comprising of the Chief Executive Officer, Director of Education and the Chief Operating & Finance Officer.

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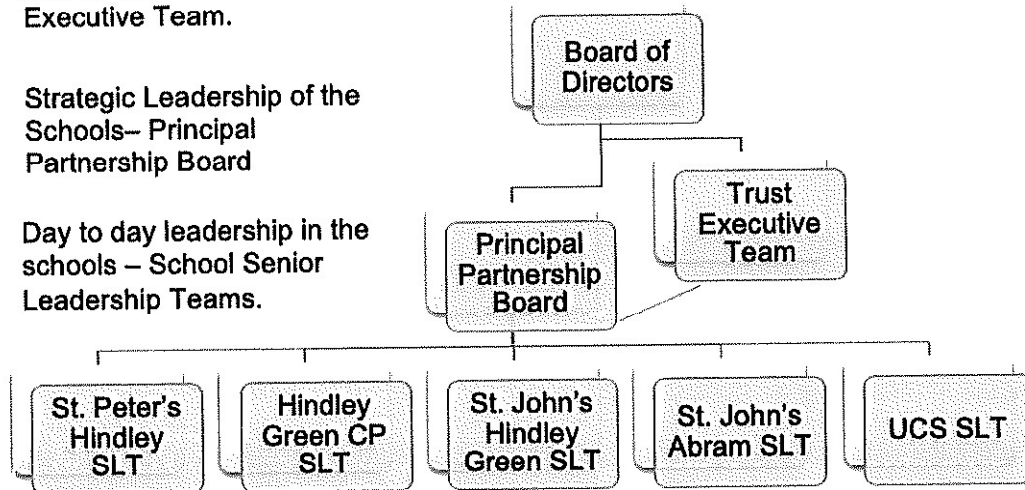
Directors/Trustees Report (continued)

Leadership Structure

Strategic Leadership of the Trust –
Board of Directors and the Trust
Executive Team.

Strategic Leadership of the
Schools– Principal
Partnership Board

Day to day leadership in the
schools – School Senior
Leadership Teams.



The Principal Partnership Board (PPB) consists of the Chief Executive Officer, Director of Education, Principals and the Chief Operating & Finance Officer. These leaders are responsible for the strategic leadership in the schools at an executive level implementing the policies laid down by the Trustees/Directors and reporting back to them. As a group the PPB is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointments for members of the Principal Partnership Board always contain Trustees/Directors.

The PPB delegates day to day responsibilities to the Senior Leadership Team (SLT) of each school which consists of the Principal and Assistant Principals. These leaders are responsible for the day to day operation of the schools, in particular organising staff (teaching and non-teaching), facilities, resource deployment and pupils.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration for the Trust Executive Team is set and reviewed by the Trustees/Directors' Resources Committee, following external professional advice, benchmarking against national comparators and reflecting the unique position of the Trust.

The Principals and Assistant Principals in each school are subject to Teachers' terms & conditions and the pay and remuneration of these key personnel are set and annually reviewed by the Trustees/Directors' Resources Committee, following the agreed pay policy and the Individual School Ranges for each school.

All staff are subject to annual performance management reviews and pay recommendations are ratified by the Trustees/Directors.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Trade union facility time

By law, trade union representatives are entitled to reasonable paid time off from their regular job to enable them to perform their union duties and to undertake relevant training. Trade union members, including representatives, may also ask for unpaid time off to undertake activities. Together, these arrangements constitute facility time.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require QUEST to collate and publish, on an annual basis, a range of data on the amount and cost of facility time. This is the completed report for QUEST which confirms the required data for the period 1 April 2020 to 31 March 2021.

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.48 fte

Percentage of time spent on facility time

The percentage of their working hours that relevant unions officials spent on facility time.

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

Percentage of pay bill spent on facility time

Total cost of facility time	£6,972
Total pay bill	£5,928,000
Percentage of the total pay bill spent on facility time	0.12%

Paid trade union activities

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

QUEST controls Play Pals Childcare Ltd, a childcare company providing Before & After School Childcare, Holiday Provision, Nursery Day Care and early years support for the schools within the Trust. Play Pals Childcare Ltd operates as a private company limited by shares which is 100% owned by QUEST. The Chief Executive Officer (CEO), Chief Operating & Finance Officer (COFO) and Director of Education (DoE) are Directors of Play Pals Childcare Ltd on behalf of the QUEST Board.

This dynamic relationship between QUEST and Play Pals ensures that all families can access high quality childcare if required and our early years provision is seamless from birth to Reception.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Details of transactions between QUEST and Play Pals are explained in note 29 the accounts.

Objectives and Activities

Objects and Aims

The Trust's principal object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools which shall offer a broad and balanced curriculum and which:

(i) shall include Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and

(ii) may include other schools whether with or without a designated religious character, including educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them or 16 to 19 schools offering a curriculum appropriate to the needs of its students or schools specially organised to make special educational provision for pupils with Special Educational Needs;

but in relation to each of the schools to recognise and support their individual ethos, whether or not designated Church of England.

The vision of the Trustees/Directors is to **unlock potential**, providing places for **learning, innovation** and **opportunities** at the heart of our communities and to make a difference by raising aspirations and improving children's life chances within safe and welcoming environments.

Our schools are all about **passion, determination** and **enthusiasm**. We see challenges as opportunities and have an unshakeable belief in the right of children to a high quality education.

Objectives, Strategies and Activities

The Trust's moral purpose and strategic intent is to transform learning and secure a culture of excellence across our organisation. This ensures our schools are places which unlock the potential and talents of all our young people. Our Trust consists of dedicated professionals who deliver the best for all. Our Spirit of Purpose embodies our commitment to enhance the life chances of pupils, staff and families in service to our communities.

The Trust's objectives for the period ending 31 August 2021 are summarised below:

- To continue to invest in curriculum excellence for all. To work towards achieving Apple Distinguished School Status.
- To continue to deliver strong examination results and all indicators of performance in all of the Trust's schools.
- To ensure learners are confident individuals, have embedded life skills development with a 'can do' attitude for the next steps of their education.
- To continue to secure excellent attendance (pupils and staff).

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

- To evolve The Spirit of Purpose further to continue high quality professional learning and career progression opportunities for all Trust employees.
- To maintain and support outstanding governance at QUEST.
- To achieve continued excellence and recognition of the Music academy, Sports academy. To secure STEM excellence in the UCS.
- To work as a strategic partner in the region and nationally.
- To secure growth opportunities that will achieve the Trust's vision as a 0-19 Regional Trust.
- To continue to develop school facilities at all sites and to maintain adequate financial reserves to fund building and other investment needs.
- To secure Play Pals expansion and potentially secure more nurseries within the next 3 years.
- To continue to invest in curriculum excellence for all.

QUEST is an organisation that provides opportunities for pupils/students and staff alike, always embracing the local community as an active partner. We aim for our families to be proud to choose a QUEST school.

As 2019 Pearson National Teaching Award winners for digital innovation, we continue to embrace technology in a meaningful way for the benefit and advancement of educational standards.

Trust Digital Strategy Summary

In creating the future of education within our Trust, digital will enhance the quality of provision in the following ways:

Phase 1:

Communication – Internal and external

Phase 2:

Enable effective and efficient operational systems

Phase 3:

Minimise workload and maximise efficiencies - for time, planning, assessment and shared resources

Phase 4:

Enable delivery of quality teaching and learning – supported by a culture of coaching and student agency

Phase 5:

Create flexible, nuanced and adaptable education for the future.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Public Benefit

The Academy Trust's Trustees/Directors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. It fully complies with all statutory guidance and supports wider educational objectives through a strong community role.

The Trust's purpose is to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools which shall offer a broad and balanced curriculum. Our schools directly serve our local communities and provide free education to pupils in the catchment areas. The Academy Trust also operates private childcare settings and training facilities.

The key public benefit delivered by the Trust is the provision of continued high-quality education to its pupils/students, which will be evidenced through external results.

Strategic Report

Achievements and Performance

Our primary schools take an active part in Wigan local authority's school improvement consortia model, which includes schools across the Borough. The Trust has 5 SLEs in Teaching & Learning, Maths, English, Music and Early Years and our COFO is also a SLE for School Business Management and MAT conversion. Our Trust expertise has positively impacted on over 10,000 students in its delivery of School to School support.

Mrs Jackie Birch is a finalist for Pearson's National Teaching Award for Primary School Teacher of the Year 2021.

Ofsted rate our Schools as:

- St. Peter's Hindley – Good – November 2018
- St. John's Abram – Good – September 2017
- St. John's Hindley Green – Good – September 2017
- HGCP – Good – September 2017
- University Collegiate School (formerly Bolton UTC) – Good – March 2019

SIAMs rate our Church Schools as:

- St Peter's Hindley – Outstanding 2016
- St John's Hindley Green – Outstanding 2016
- St John's Abram – Good 2017

Due to the Coronavirus pandemic and the school closures from March 2020 to March 2021, the 2020/2019 and 2020/21 national curriculum assessments were cancelled and it is not possible to include any KS1 or KS2 SAT outcomes in this year's report. It is also not possible to include any comparative information about the attainment of pupils of the same age in the schools or nationally.

UCS Outcomes

Overall Key Stage 5 Outcomes

	% A* - E	% A* - D	% A* - C	% A* - B	% A* - A
2020-21	100	100	93	80	53

	Academic Value Added	Vocational Value Added
2020-21	+1.44	-0.11

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Subject Qualifications Key Stage 5 – Year 13 2020-21

A*- E Whole Grades	A*-B %	A*-C %	(National 2019)	A*-E %	Value Added
Biology	75	100		100	+1.50
Chemistry	80	100		100	+1.76
Geography	100	100		100	+1.25
Maths	67	67		100	+0.83
BTEC Whole Grade	D*-D%	D*-M%		Pass Rate	Value Added
H&SC BTEC Double	0	100		100	+0.43
Applied Science Triple	13	56		100	-0.23

Destination	% of Cohort
University	70 (of that 95% STEM 5% Business)
Further Training (Apprenticeship)	0
Employment/Deferred Year	15
Resit ('Year 14')	15
NEET	0

Overall Key Stage 4 Outcomes

NB Students currently join the UCS at Year 10 for this set of data and for other years until school expansion from Year 7 is delivered in 2025

	9-4 in English and Maths	9-5 English and Maths	Progress 8
2020-21	75%	50%	-0.19
2019 Nat	71%	43%	-0.03

GCSE Outcomes – Year 11 2020-21

Grades	9 - 7 %	9 - 5 %	9 - 4 %	(National 2019 9-4)	Subject Progress
Business Studies	22	72	72	66	+0.07
Computer Science	17	67	75	66	+0.02
English Language	20	54	83	71	-0.51
English Literature	13	52	78	75	-0.79
Geography	34.6	58	73	66	- 0.31
History	25	60	75	66	-0.32
Maths	26.1	70	80	73	-0.27
MFL Arabic	100	100	100	0	+1.65
MFL Spanish	100	100	100	71	+2.56
MFL Urdu	100	100	100	0	+0.25
Psychology	24	52	76	0	-0.39
Sci Biology	63	79	95	91	-0.13
Sci Chemistry	47	84	95	91	-0.19

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Sci Physics	58	90	95	91	+0.11
Sci Combined	16.7	76	89	55	+0.61
BTEC Grade	D*-D%	D*-M%	D*-P%		Subject Progress
Engineering	17	39	74		-0.9
H&SC BTEC Single	33	71	95		-0.28
Sports Science CN	33	56	89		-0.24

We are proud of our pupils and staff achievements and we continue to secure excellence in every aspect of our work. We have high aspirations for our pupils and a clear vision for success. We are committed to a breadth and depth of learning, a Whole Education for all.

Other notable achievements across the Trust's academies include:

- Century Flagship Status for all schools
- Pearson Silver National Teaching Award for Digital Innovator of the Year 2019 and Pearson Silver National Teaching Aware for Primary School Teacher of the Year 2021
- ICEE Laboratory School Status: St Peter's Church of England Primary School Hindley, Hindley Green Community Primary School, University Collegiate School.
- St. Peter's Hindley obtained the Sportsmark Gold Award, Silver Modeshift Stars Award, International Eco Green Flag and Music Mark
- Hindley Green Community Primary School received the Sportsmark Platinum Award, the Sing Up Silver Award, Church/Community School Award 1, Archbishop of York Youth Trust Young Leaders Aware, International Eco Green Flag Award and Wigan and Leigh Primary School of the Year.
- St. John's Church of England Primary, Hindley Green received the Church & School Partnership Award, Leading Parent Partnership Award, Sportsmark Platinum Award, the International Eco Green Flag Award and Global Neighbours Bronze Award.
- St. John's Church of England Primary School, Abram received the Sportsmark Gold Award, Church Partnership Award, Church School Values Award, the International Eco Green Flag Award and Music Mark
- University Collegiate School received SSAT National Award for Progress from Key Stage 4 to Key Stage 5, with outcomes being in the top 2% nationally (2020).
- National and Regional recognition of our Music Academy's excellence and the exciting opportunities provided for our students.
- Report in Financial Times re the positive impact of AI and our digital approach to learning during Covid.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

The following quotes from recent external reviews and Ofsted reports from our schools should provide confidence that ...

'Leaders and staff demonstrate well the vision, ambition and qualities of the Trust's Spirit of Purpose. As a result, school is rapidly improving. There is a drive for excellence.'

'The quality of education provided for children in the Reception Year is outstanding. The sharp focus on developing children's skills in speaking, reading and writing is laying a strong foundation for successful learning.'

'The relentless drive for improvement has changed the school from one causing concern to a place where pupils thrive as learners and their personal development flourishes.'

'The Dream Curriculum provides a high quality education which unlocks the potential of each pupil and develops their life skills.'

'Teachers fire pupils' thirst for learning by choosing themes and activities that grab their interest.'

'Behaviour is exemplary.'

At the UCS ...

'The leadership team have developed an inclusive and supportive community. Together with staff, they have overseen rapid improvements in every aspect of the college.'

'The quality of teaching has improved ... and is now good. Teachers have strong subject knowledge. They use questioning successfully to probe and develop pupils' understanding. This leads to strong progress across a range of subjects.'

'The behaviour of pupils is good. The college is a calm and orderly environment. Pupils are polite, courteous and respectful to each other and staff.'

'Leaders have developed a comprehensive personal, social and health education programme which helps to develop pupils' understanding of equality and diversity.'

Response to COVID-19

The Trust's leadership of its COVID strategy has been robust throughout these unprecedented times. It has ensured that all school leaders have been provided with the relevant information and appropriate support to face the many operational challenges head on. Staff have worked strategically and communication strategies have been further developed to ensure consistency and continuity in support, with regular on-line meetings with senior leaders in each school.

A Trust COVID-19 Critical Response Document has been compiled throughout the pandemic to provide evidence of the Trust and its schools' decision-making process and actions taken. Furthermore, detailed risk assessments have been completed and safeguarding guidance updated for each school. Each Primary School was also recognised with a Safeguarding Award during these unprecedented times.

Throughout this pandemic, in addition to the safety and well-being of the families and staff that the Trust serves, Trust schools have continued to offer educational opportunities for all children. School celebrations and awards have taken place, albeit some were virtual events.

This high-quality guidance and support will continue as we move into the new academic year.

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Directors/Trustees Report (continued)

Key Performance Indicators

The Education and Skills Funding Agency (ESFA) monitors the Academy Trust via a number of statistical returns. The Trust completed an annual self-assessment of its financial management and governance in April 2021. The Trustees/Director's Resources Committee monitor percentage spends and emphasis is placed on monitoring staffing and educational resources spending. Benchmarking against similar academies is performed annually and a benchmarking report is presented to Trustees/Directors.

The Trustees/Directors approved the budget for the period 1st September 2020 to 31st August 2021 and, excluding agency costs, staffing costs for the 12 months period accounted for 84.6 of all restricted fund income which is in line with Trustees/Directors' expectations.

As funding is based on pupil numbers, this is a key financial performance indicator. The table below shows a steady increase across the Trust.

Academic Year	Pupil Numbers
2020/21	1405
2019/20	1383
2018/19	1202
2017/18	1197
2016/17	1183
2015/16	1160

Going Concern

After making appropriate enquiries, the Board of Trustees/Directors 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.

Financial Review

Most of the Trust and Academy income is obtained from the DfE via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the twelve months ended 31st August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received grants from the ESFA and other organisations. In accordance with the Charity Commission's document 'Accounting and Reporting by Charities: Statement of Recommended Practice 2015, such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the twelve months ended 31st August 2021, total income, excluding capital funding, was £7,971,015 (2020: £6,329,087) with a surplus at 31st August 2021 of £78,785 (2020: £334,986) before actuarial losses on the pension valuation. The surplus has been allocated to reserves and this is in line with the Trust's strategy to maintain adequate reserves to fund ambitious plans of future improvements and development of the organisation, its curriculum resource and its infrastructure.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Unrestricted income in the twelve months ended 31st August 2021 amounted to £277,088 (2020: £243,971).

At 31st August 2021 the net book value of fixed assets amounted to £16,289,165 (2020: £16,709,683) and movements in fixed assets are shown in note 12 to the financial statements. The cost of fixed asset additions in the twelve months to 31st August 2021 amounted to £189,241 (2020: £399,911).

The Trust also received COVID-19 catch-up funding totalling £108,480.

This funding has been used to:

- Employ additional support across schools to deliver rapid, intensive and targeted intervention programmes (reading, phonics, soundwrite, maths, english)
- Employ additional teaching staff to support with small group teaching
- Provide additional small group skill sessions/tutoring sessions after school
- Provide professional development opportunities for all staff on the effective use of technology
- Conduct standardised assessments to identify gaps in learning
- Implement an effective remote learning strategy
- Support for pupils to work independently through class sessions based around 'learning to learn' skills
- Readiness to learn intervention programme for most vulnerable children
- One to one tuition for selected individuals
- Intervention programmes for pupils with SEMH challenges
- Masterclasses in exam prep for BTEC Applied Science and Health & Social Care
- Tutoring for English GCSE small groups
- Tutoring for Maths GCSE small groups
- Purchase of on-line intensive 'A' level revision courses and GCSE Pod for KS4
- Easter School for individualised and intensive support

The UCS also delivered a successful summer school in July 2021 for 120 students as part of the DfE's summer schools programme fund.

Key financial policies adopted or reviewed during the period include the Scheme of Financial Administration, Investment, Whistleblowing, Emergency Plans and Business Continuity, Charging and Remissions, Business Expenses, Debt Management and Fixed Assets.

The Academy Trust has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with FRS102 and a deficit has been recognised at 31st August 2021. This results in reducing reserves shown in the total funds of the Trust. However, it should be noted that this does not present the Trust with any current liquidity problem.

The Board of Directors receive monthly management accounts to review and in addition the Board's Resources Committee annually receive and analyse longer term financial models to plan and organise resources most effectively to fulfil the strategic aims of the Trust.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Reserves Policy

Reserves form part of the cash balance for each school. The total cash balance across all schools is managed centrally and invested prudently in interest earning bank accounts. The Trustees/Directors review the level of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trust's current level of free reserves (total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve) is £2,352,466 (2020: £2,273,681). The Trustees/Directors will keep this level of reserves under review and aim to maintain the reserves level whilst in keeping with the principal object of the Trust.

The Trustees/Directors have decided to adopt a prudent approach to reserves to safeguard against unforeseen circumstances, future financial challenges, capital improvements or developments, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the Trust's business activities and quality of education at all of the schools in the group.

The net liability of the Trust in the Local Government Pension Scheme (LGPS) amounts to £4,444,000 (2020: £3,144,000). The Trust recognises this a significant liability which is set out in the financial statements. The Trust does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future. 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 DfE. The guarantee came into force on 18 July 2013.

Total funds as at 31st August 2021, including the restricted pension fund deficit of £4,444,000 are £14,285,300 (2020: £15,861,048) which is made up of restricted funds £413,761 (2020: £536,436), fixed asset funds £16,376,834 (2020: £16,731,367) and unrestricted funds £1,938,705 (2020: £1,737,245).

Given the circumstances of the pandemic and the absolute need for access to remote learning opportunities, the Trust optimised their Digital Strategy development by bringing forward the timeframe for phase 4, to ensure that all students from age 7 would have access to 1:1 learning devices from September 2020. This proactive strategy was implemented in 2020/21 academic year and ensures that the Trust is in a strong position whatever the continuing circumstances.

Investment Policy

At QUEST we are diligent with the public money we are entrusted with. Adequate cash balances are maintained to ensure that there are always sufficient funds in the Trust's current account to cover financial commitments such as payroll and day-to-day expenses.

However, if there is a surplus of funds after all financial commitments have been considered, this surplus will be invested and we will take steps to manage the risk associated with such financial investments. Funds will be invested in tranches of up to £25,000 and after agreement from the Resources Committee. During the twelve months to 31st August 2021, one such investment continues with Lloyds Bank PLC with £500,000 being held in a short-term notice account.

Cash balances are safeguarded by investing them in interest bearing current accounts with sound commercial banks (currently Lloyds Bank PLC).

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Principal Risks and Uncertainties

The principal risks to the Trust have been assessed and documented using the Trust's risk register which is comprehensively reviewed on a termly basis. Procedures have been established to mitigate those risks.

Systems and procedures have been established to mitigate the risks each academy faces and the individual academy risk registers are regularly reviewed and updated.

None of our current academies face any financial risk associated with falling rolls, indeed there is a steady increase in pupil numbers across the Trust.

The UCS accepted the first cohort of Year 7 students in September 2020 and secured 80% of their projected intake, and the numbers retained in the existing years 10-13 have increased for the first time. It is expected that the Year 7 intake in September 2021 will be 100% of the pupil admission number, which is a great achievement as the UCS is only in its second year of operation. This ensures that the projected budget fits within anticipated ranges.

However, the uncertainties relating to budget reforms, increasing employment and premises costs are all contributing to cost pressure in future periods which increases the importance of maintaining robust levels of revenue reserves.

The Trust recognises the exposure to credit risk from banks where the Trust's own cash is deposited. This credit risk is low due to all cash and investments being with banks that have been assigned a high credit rating.

The main risks which could occur are:

- the loss of reputation resulting from a drop in standards and academic performance at the schools,
- failure to safeguard our pupils
- falling pupil numbers,
- budgetary pressures brought about by reduced public sector education spending and funding formula changes;
- erosion of reserves to balance budgets in the short to medium term;
- significant liability of the LGPS deficit;
- pressures on growth which exceeds Trust capacity;
- lack of succession planning within Trust governance and leadership; and
- business interruption due to significant property related incidents.
-

Key controls in place to mitigate these risks are:

- In-depth, regular data analysis through the Quality Assurance Programme, including Consortia validation and external peer reviews
- Annual school improvement plans at all schools of the Trust
- Robust self-evaluation procedures and careful monitoring of learning and teaching, linked to rigorous performance management
- A streamlined and efficient central team structure
- An organisational structure with clearly defined roles, responsibilities and authorisation levels
- Documented terms of reference for the committees of the Trust and the Local Advisory Committees
- Financial planning, budgeting and regular monitoring reports highlighting key areas of financial risk

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

- Formal written and published policies for employees
- Vetting procedures as required by legislation for the protection of vulnerable children
- Robust due diligence procedures in place for growth of the Trust, new contracts and commissions,
- Five year building and development plans for all sites
- Regular Premises & Grounds inspections and Health & Safety reports ensuring the Trust and its schools are statute compliant;
- Major Incident Policies and Plans.
- Review cycle for Governance and regular training with expertise from the system to ensure leadership strategy is robust
- Building educational expertise and capacity across the Trust with LLEs and SLEs.
- Marketing for all schools but particularly for the UCS as we establish its reputation within the community.
- Agreement from Parliament, 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 DfE. The guarantee came into force on 18 July 2013.

Considerable additional work took place around risk management and risk assessments during the global pandemic. Schools re-visited risk assessments on a daily basis and extensive work was carried out in relation to the Risk Management Plan. Any changes or matters of concern were escalated to the Trust and assessment and monitoring was a live and continual daily process. Risk Assessments were shared with the Trustees/Directors to give assurance on the robust and comprehensive process in place.

Fundraising

The Academy Trust does not use any external fundraisers. Fundraising activities took place during 2020/21 by each school's Parents' & Friends' Association and by the schools in support of their nominated charities.

All fundraising undertaken during the year was monitored by school staff through attendance at fundraising meetings and events and through the income/expenditure reporting.

During the year there were no complaints about any fundraising activity and the Trust and schools are mindful of protecting vulnerable people and members of the public. All donations for fundraising events are completely voluntary, without undue pressure or persistent approaches.

The Trustees have a duty to ensure:

- all fundraising is undertaken in the best interests of the Trust and its schools,
- resources are managed responsibly - this includes protecting and safeguarding the reputation of the Trust and
- they act with reasonable care and skill.
-

Streamlined Energy and Carbon Reporting

As the Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Plans for Future Periods

Over the past 18 months, the global pandemic saw all schools across the UK close their doors as educational establishments and instead deliver remote learning to their pupils/students. Covid-19 required the Trust leadership to re-evaluate priorities and adapt these in response to the pandemic with one of the greatest successes being the introduction of 1-1 devices for pupils/students.

In light of this, the overall performance in this reporting period was positive and as a consequence will directly reinforce the Trust's medium to long-term strategy which the Trustees/Directors, having taken feedback from all stakeholder groups across the Trust, have prioritised the main objectives for the next two years as follows:

- To continue to invest in curriculum excellence for all. To achieve Apple Distinguished School Status.
- To continue to deliver strong examination results and all indicators of performance in all of the Trust's schools.
- To ensure learners are confident individuals, have embedded life skills development with a 'can do' attitude for the next steps of their education.
- To continue to secure excellent attendance (pupils and staff).
- To evolve The Spirit of Purpose further to continue high quality professional learning and career progression opportunities for all Trust employees.
- To maintain and support outstanding governance at QUEST.
- To achieve continued excellence and recognition of the Music and Sports academies.
- To secure STEM excellence in the UCS and embed the ELEMENTS (Life Skills) curriculum.
- To work as a strategic partner with networks in the regions and nationally.
- To secure growth opportunities that will achieve the Trust's vision as a 0-19 Regional Trust.
- To continue to develop school facilities at all sites and to maintain adequate financial reserves to fund building and other investment needs.
- To secure Play Pals expansion.
- To continue to invest in curriculum excellence, employer engagement and careers strategy for all.

QUEST will continue to work closely with Liverpool Diocese, the local authority and the Regional Schools Commissioner, to welcome strong schools to the Trust and sponsor schools to deliver educational transformation. It will also work closely with the University and Employer Sponsors for the University Collegiate School to deliver academic and life skills in its pathway to the workplace for all its students.

Excellent standards of behaviour in our schools create calm and well-ordered learning environments where pupils learn resilience to be the best they can be. The nurture and support of pupils enables confident individuals are at the heart of our schools. Student Agency is promoted as a key to our effective learning culture.

As flagship schools, we:

- use technology in an integrated way;
- engage and enable learning through a wide range of media and devices;
- mirror life skills required in the world of work;
- enable access and support to learning beyond the school day;
- provide opportunity to rehearse, enhance and embed core learning.



QUEST is committed to providing exceptional opportunities for learning across all of its academies. QUEST believes that every child can achieve the highest academic standards at the same time as equipping them to be resilient and able to adapt to the changing environment in which they find themselves. This Trust approach to Student Agency will shape children to succeed and be the best version of themselves as they develop through their primary and secondary education.

QUEST (A Church of England Schools Trust)

Directors/Trustees Report (continued)

Our teaching and learning will be further personalised through our digital strategy. Pupils will be able to progress as a result of personalised programmes of study and will be confident users of IT. All staff are now certified Apple Teachers and combined with coaching for student agency, we continue to support all round development for our pupils

Staff will be confident practitioners with appropriate professional development opportunities. Educational outcomes in all performance indicators will continue to be strong and sustained. The strategic development of the schools will be effectively planned, monitored and supported by experts in the central team, committed Local Advisory Committee representatives and the Board of Trustees/Directors.

Schools aim to maintain and increase pupil numbers meeting the needs of their communities and will continue to work in effective parental partnerships for the benefit of pupils/students' education and well-being.

To secure a thriving community, the Trust has further expanded its commitment to staff and pupil/student well-being investing in a Trust counsellor to ensure a smooth transition and to support mental toughness for all.

Funds held as Custodian Trustee on Behalf of Others

The Academy Trust did not act as a custodian trustee on behalf of others during the current or previous period.

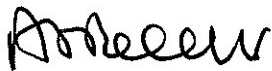
Auditor

In so far 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 audit business Hallidays has been appointed as the company's auditor. The audit report has been issued by Hallidays.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 30th November 2021 and signed on the Board's behalf by:



.....
Dr Andrew Roberts
Chair of Trustees/Directors
Date: 30th November 2021

QUEST (A Church of England Schools Trust)

Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees'/Directors' Report and in the Statement of Trustees'/Directors' Responsibilities. The Board of Trustees/Directors formally met eight times during the twelve months ended 31st August 2021. Since March 2020 and during the Coronavirus pandemic, governance meetings have been held virtually and all documents referred to at the meetings were uploaded to Governor Hub at least 7 days in advance of the meetings. Attendance during the period at meetings of the Board of Trustees/Directors was as follows:

Trustee	Meetings attended	Out of a possible
Mr. B. Anthon (Chairperson)	8	8
Mr. G. Ashton	8	8
Mrs. S. Bruton	8	8
Mr. H. Egan	8	8
Mrs. K. Gore	8	8
Professor G. Holmes	7	8
Professor D. Hopkins	6	6
Mrs. J. Reynolds	7	8
Dr. A. Roberts	8	8
Mrs. J. Smith	8	8
Mrs. L. Worthington	8	8

During the 2020/21 academic year, Professor G. Holmes joined the Board in November 2020 and Professor D. Hopkins joined the Board in December 2020.

The Committees of the Board of Trustees/Directors have met virtually on a regular basis throughout the year and the business conducted by these committees is reported to the Trust Board. Attendance at meetings in the twelve months ended 31st August 2021 were as follows:

Resources Committee is responsible for all matters relating to Finance, Audit (including governance, risk management, internal control and value for money), Personnel, Facilities and Health & Safety

QUEST (A Church of England Schools Trust)

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
Mr. B. Anthon	6	6
Mr. G. Ashton	6	6
Mrs. S. Bruton	6	6
Mr. H. Egan	5	6
Mrs. J. Reynolds	6	6
Mrs. J. Smith	6	6

Mrs. J. Jones was in attendance at these meetings in her capacity as Chief Operating & Finance Officer from the Trust Executive Team and Principal Partnership Board.

Quality Assurance & Standards Committee is responsible for agreeing targets for pupil achievement and receives regular reports on progress towards these targets.

Trustee	Meetings attended	Out of a possible
Mr. B. Anthon	3	3
Mr. G. Ashton	2	3
Mrs. S. Bruton (<i>in attendance</i>)	2	3
Mrs. K. Gore	3	3
Mrs. J. Smith	3	3
Mrs. L. Worthington	3	3

Mrs. J. Adams was in attendance at these meetings in her capacity as Director of Education, along with the Principals from each School.

Performance Management Committee develops and monitors the implementation of, and annually reviews, the performance management policy.

Trustee	Meetings attended	Out of a possible
Mr. B. Anthon	3	3
Dr. A. Roberts	3	3
Mrs. J. Smith	3	3
Mrs. L. Worthington	3	3

Mrs. S. Bruton was in attendance at these meetings in her capacity as Chief Executive officer from the Trust Executive Team and Principal Partnership Board.

The Right Reverend N. McCulloch, who was a member appointed by the University of Bolton in their role as University Sponsor, resigned this role in March 2021.

The new member elect, Dr. G. Walker, will be officially approved by the Diocesan Corporate Member during the Autumn Term 2021.

Membership of the Local Advisory Committees has been reviewed during the year and a proactive approach to recruiting new members with the required skills set has been adopted. A LAC training plan was delivered virtually during 2020/21 which enhanced the knowledge and skills of current LAC representatives. A virtual 'One Voice' event was held during the Summer Term 2021 and this was attended by both Trustees/Directors and LAC representatives.

During the year, the Trust Board undertook a review of the Roles and Responsibilities of Governance to ensure schemes of delegations were in place. The Board also undertook a Financial Management and Governance Self-Assessment review and completed individual skills audits to inform future development needs.

QUEST (A Church of England Schools Trust)

Governance Statement (continued)

Other governance work carried out during the year includes (not exhaustive):

- Review of the current terms of reference for each Trust Board Committee;
- Review of governance policies including Conflicts of Interest;
- Formulation of a Remuneration Committee;
- Completion of annual Trustee/Director declaration forms (including eligibility).

The main areas, agreed by Trustees/Directors for further action and further embedding in governance processes in the year ahead include:

- Undertake an external review of governance by an independent governance professional and follow any recommendations as a result of the review,
- Appointment of an independent chair in agreement with members,
- Identification of board succession priorities,
- Training, induction and trustee development – recognising that induction is a key input to board effectiveness,
- Considerations on improving diversity, equality and inclusion on the Trust Board and throughout the Trust,
- Refresh the strategy for QUEST for the next five years.

Review of Value for Money

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

The Accounting Officer considered how the Academy Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees/Directors where value for money can be improved, including the use of benchmarking data where appropriate.

The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- delivering the Trust digital strategy to secure an educational delivery position of strength;
- embedding a culture of student agency and a focus on life skills and well-being in all schools;
- ensuring pupil attainment remains a priority across the academy trust and is a focus within each school's improvement plan;
- effective use of Pupil Premium ensuring pupils of differing needs achieve just as well as others;
- collaboration between schools to facilitate consistency and best practice allowing educational professionals to improve self-evaluation, triangulate strategy, analyse data, maximise resource deployment and to be each other's critical friend;
- reviewing staffing structures to ensure they are fit for purpose and can adapt and respond to support the successful completion of objectives within each school's Improvement Plan;
- ensuring performance management for teachers and support staff are effective.
- ensuring all members, trustees/directors, LAC representatives and members of the Trust Senior Leadership Team complete and annual register of pecuniary interests form and the opportunity to declare any pecuniary interest is provided at all trustee/director and LAC representative meetings;
- ensuring the financial performance of the Trust is robust and the slightly better than anticipated surpluses are held in line with the Trust's Reserves policy. When taken together with academic performance, this demonstrates excellent curriculum led financial management and planning and the targeting of resources;
- ensuring the Trust's Resources Committee receives monthly budget monitoring reports and directors are given the opportunity to question, challenge and discuss spending proposals in order to achieve value for money;

QUEST (A Church of England Schools Trust)

Governance Statement (continued)

- ensuring the academy trust explores every opportunity to maximise income generation through hire of facilities and pursuing funding bids, including funding for two Trust minibuses;
- Arranging group contracts for supplies of services to the Trust, where appropriate, resulting in measurable cost savings;
- ensuring a Trust Risk Register is in place and reviewed on a termly basis;
- ensuring each school, and the Trust Head Office, has a Major Incident policy and plan in place that includes business continuity procedures along with an Anti-Fraud and Corruption Policy;
- Additional income generation from Play Pals Childcare Ltd, the Trust's traded service.

As a result of the on-going pandemic, during the Spring 2021 school closure period the national food voucher scheme was utilised in all our schools to support our vulnerable children.

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 QUEST for the period 1st September 2020 to 31st August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees/Directors has reviewed the key risks to which the Academy Trust is exposed together with the operation, 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 have been in place for the period 1st September 2020 to 31st 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/Directors.

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/Directors;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees/Directors has decided to buy-in an internal audit service from Moore & Smalley. The internal auditor's role includes giving advice on financial matters and other matters and performing a range of checks on the Academy trust's financial and other systems.

QUEST (A Church of England Schools Trust)

Governance Statement (continued)

In particular, the checks carried out in the current period included:

- Review of the Trust's Scheme of Financial Administration;
- Review of the systems and procedures at UCS, including:
 - purchasing
 - income
 - wages and salaries
 - month end procedures;
- Review of the fixed assets register and control of assets.

On a termly basis the auditor reports to the Trust Board, through the Resources Committee, on the operation of systems of control and on the discharge of the Board of Trustees/Directors financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Despite the on-going global pandemic, this schedule of work has been delivered as planned and actions have been taken to introduce the recommendations received.

The Trust's COVID strategy has been robust throughout by ensuring that all school leaders received the necessary support to face the many operational challenges head on. The Trust COVID-19 Critical Response Document has been compiled throughout the pandemic to provide evidence of the Trust and its schools' decision-making process and actions taken. Detailed risk assessments have been regularly reviewed and updated and shared with staff, all stakeholders and the Board of Directors to enable effective decision-making to continue.

Review of Effectiveness

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

- The work of the internal auditor;
- The work of the external auditor;
- The financial management and governance self-assessment process and the school resource management self-assessment tool;
- The work of the senior leaders within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees/Directors on 30th November 2021 and signed on its behalf by:



.....
Dr Andrew Roberts
Chair of Trustees/Directors



.....
Mrs. Sharon Bruton
Chief Executive Officer and Accounting Officer

QUEST (A Church of England Schools Trust)
Statement on Regularity, Propriety and Compliance

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

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



.....
Mrs. Sharon Bruton
Accounting Officer

30th November 2021

QUEST (A Church of England Schools Trust)

Statement of Trustees' Responsibilities

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

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


- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 the 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 30th November 2021 and signed on its behalf by:



Dr Andrew Roberts
Chair of Trustees

Quest (A Church of England Schools Trust)

Independent Auditor's Report on the Financial Statements to the Members of Quest (A Church of England Schools Trust)

Opinion

We have audited the financial statements of Quest (A Church of England Schools Trust) (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

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

Conclusions relating to going concern

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 original financial statements were 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.

Other information (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)

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

Quest (A Church of England Schools Trust)

Independent Auditor's Report on the Financial Statements to the Members of Quest (A Church of England Schools Trust) (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 28], the Trustees 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.

Auditor's responsibilities for the audit of the financial statements

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

Quest (A Church of England Schools Trust)

Independent Auditor's Report on the Financial Statements to the Members of Quest (A Church of England Schools Trust) (continued)

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the trust through discussions with directors and other management, and from our commercial knowledge and experience of the academies sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the trust, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charges with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, and the trust's legal advisors

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Quest (A Church of England Schools Trust)

**Independent Auditor's Report on the Financial Statements to the Members of
Quest (A Church of England Schools Trust) (continued)**

Use of our report

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



.....
Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
King's Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 30-11-21

Quest (A Church of England Schools Trust)

Independent Reporting Accountant's Report on Regularity

In accordance with the terms of our engagement letter dated 27 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Quest (A Church of England Schools Trust) during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Quest (A Church of England Schools Trust)'s accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Quest (A Church of England Schools Trust)'s funding agreement with the Secretary of State for Education dated 17 December 2018 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 year from 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.

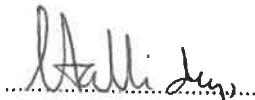
Quest (A Church of England Schools Trust)

Independent Reporting Accountant's Report on Regularity (continued)

- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

Conclusion

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



Reporting Accountant

Hallidays
Chartered Accountants
and
Registered Auditors

Riverside House
King's Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 30-11-21

Quest (A Church of England Schools Trust)

**Statement of Financial Activities for the Year Ended 31 August 2021
(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:						
Donations and capital grants	2	157,611	16,346	-	245,254	419,211
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	7,677,581	-	-	7,677,581
Other trading activities	4	116,523	-	-	-	116,523
Investments	5	2,954	-	-	-	2,954
Total		277,088	7,693,927	-	245,254	8,216,269
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	7,882,258	446,000	609,759	8,938,017
Net income/(expenditure)		277,088	(188,331)	(446,000)	(364,505)	(721,748)
Transfers between funds		(75,628)	65,656	-	9,972	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	28	-	-	(854,000)	-	(854,000)
Net movement in funds/(deficit)		201,460	(122,675)	(1,300,000)	(354,533)	(1,575,748)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2020		1,737,245	536,436	(3,144,000)	16,731,367	15,861,048
Total funds/(deficit) carried forward at 31 August 2021		1,938,705	413,761	(4,444,000)	16,376,834	14,285,300

Quest (A Church of England Schools Trust)

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


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:						
Donations and capital grants	2	80,373	76,657	-	126,785	283,815
Transfer from existing UTC		-	-	(145,000)	8,373,000	8,228,000
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	6,008,459	-	-	6,008,459
Other trading activities	4	154,528	-	-	-	154,528
Investments	5	9,070	-	-	-	9,070
Total		243,971	6,085,116	(145,000)	8,499,785	14,683,872
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	5,994,101	421,000	367,239	6,782,340
Net income/(expenditure)		243,971	91,015	(566,000)	8,132,546	7,901,532
Transfers between funds		(609,648)	365,425	-	244,223	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	28	-	-	269,000	-	269,000
Net movement in (deficit)/funds		(365,677)	456,440	(297,000)	8,376,769	8,170,532
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2019		2,102,922	79,996	(2,847,000)	8,354,598	7,690,516
Total funds/(deficit) carried forward at 31 August 2020		1,737,245	536,436	(3,144,000)	16,731,367	15,861,048

Quest (A Church of England Schools Trust)

**(Registration number: 09306360)
Balance Sheet as at 31 August 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	16,289,165	16,709,683
Investments	13	<u>1</u>	<u>1</u>
		<u>16,289,166</u>	<u>16,709,684</u>
Current assets			
Debtors	14	443,825	544,563
Cash at bank and in hand		<u>2,344,442</u>	<u>1,905,910</u>
		2,788,267	2,450,473
Creditors: Amounts falling due within one year	15	<u>(341,157)</u>	<u>(146,389)</u>
Net current assets		<u>2,447,110</u>	<u>2,304,084</u>
Total assets less current liabilities		18,736,276	19,013,768
Creditors: Amounts falling due after more than one year	16	<u>(6,976)</u>	<u>(8,720)</u>
Net assets excluding pension liability		18,729,300	19,005,048
Defined benefit pension scheme liability	28	<u>(4,444,000)</u>	<u>(3,144,000)</u>
Net assets including pension liability		<u>14,285,300</u>	<u>15,861,048</u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund	17	413,761	536,436
Restricted fixed asset fund	17	16,376,834	16,731,367
Restricted pension fund	17	<u>(4,444,000)</u>	<u>(3,144,000)</u>
		12,346,595	14,123,803
Unrestricted funds			
Unrestricted general fund	17	<u>1,938,705</u>	<u>1,737,245</u>
Total funds		<u>14,285,300</u>	<u>15,861,048</u>

The financial statements on pages 35 to 68 were approved by the Trustees, and authorised for issue on 30 November 2021 and signed on their behalf by:



 Mrs S Bruton (Chief Executive and Accounting Officer)
 Trustee

Quest (A Church of England Schools Trust)

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	381,309	(5,895)
Cash flows from investing activities	23	58,967	(264,056)
Cash flows from financing activities	22	<u>(1,744)</u>	<u>(1,744)</u>
Change in cash and cash equivalents in the year		438,532	(271,695)
Cash and cash equivalents at 1 September		<u>1,905,910</u>	<u>2,177,605</u>
Cash and cash equivalents at 31 August	24	<u><u>2,344,442</u></u>	<u><u>1,905,910</u></u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with 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.

Going concern

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

The Trust's leadership of its COVID strategy has been robust throughout these unprecedented times. It has ensured that all school leaders have been provided with the relevant information and appropriate support to face the many operational challenges head on. Staff have worked strategically and communication strategies have been further developed to ensure consistency and continuity in support, with regular on-line meetings with senior leaders in each school.

A Trust COVID-19 Critical Response Document has been compiled throughout the pandemic to provide evidence of the Trust and its schools' decision-making process and actions taken. Furthermore, detailed risk assessments have been completed and safeguarding guidance updated for each school. Each Primary School was also recognised with a Safeguarding Award during these unprecedented times.

Throughout this pandemic, in addition to the safety and well-being of the families and staff that the Trust serves, Trust schools have continued to offer educational opportunities for all children. School celebrations and awards have taken place, albeit some were virtual events.

This high-quality guidance and support will continue as we move into the new academic year.

Income

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Transfer of existing academies into the trust

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Leasehold land	0.8% straight line
Buildings	2% straight line
Fixtures and fittings	20% straight line
Computer equipment	33.33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

Investments

The Academy's shareholding in the wholly owned subsidiary, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Liabilities

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

Provisions

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

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

Leased assets

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

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

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Educational trips and visits	-	6,792	-	6,792	53,418
Capital grants	-	-	202,022	202,022	126,785
Other donations	157,611	9,554	-	167,165	103,612
Donated fixed assets	-	-	43,232	43,232	-
	<u>157,611</u>	<u>16,346</u>	<u>245,254</u>	<u>419,211</u>	<u>283,815</u>

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	6,163,234	6,163,234	4,702,732
Other DfE/ESFA grants	124,266	124,266	111,699
Academy Transfer Funding	-	-	45,000
Pupil premium	392,244	392,244	325,020
UIFSM	144,340	144,340	164,142
Teachers pay grant	70,139	70,139	58,897
Teachers pension grant	198,649	198,649	166,623
Free school pre opening grant	160,000	160,000	-
TCAF Funding	-	-	135,641
Deficit funding	-	-	43,866
	<u>7,252,872</u>	<u>7,252,872</u>	<u>5,753,620</u>
Other government grants			
Local authority grants	286,554	286,554	254,839
Covid-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	29,675	29,675	-
Catch-up premium	108,480	108,480	-
	<u>138,155</u>	<u>138,155</u>	<u>-</u>
Total grants	<u>7,677,581</u>	<u>7,677,581</u>	<u>6,008,459</u>

- The academy received £108k of funding for catch-up premium and costs incurred in respect of this funding totalled £108k, with nothing no carry forward to 2021/22..

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust'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.

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	4,803	4,803	35,136
Catering income	14,336	14,336	16,147
School shop sales	1,268	1,268	11,159
Staff insurance reimbursements	52,113	52,113	12,578
Other income	44,003	44,003	79,508
	<u>116,523</u>	<u>116,523</u>	<u>154,528</u>

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	454	454	6,570
Investment Income	2,500	2,500	2,500
	<u>2,954</u>	<u>2,954</u>	<u>9,070</u>

6 Expenditure

	Non Pay Expenditure			2020/21 Total £	2019/20 Total £
	Staff costs £	Premises £	Other costs £		
Academy's educational operations					
Direct costs	5,561,479	534,510	245,075	6,341,064	4,831,649
Allocated support costs	<u>1,325,649</u>	<u>494,526</u>	<u>776,778</u>	<u>2,596,953</u>	<u>1,950,691</u>
	<u>6,887,128</u>	<u>1,029,036</u>	<u>1,021,853</u>	<u>8,938,017</u>	<u>6,782,340</u>

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2020/21	2019/20
	£	£
Operating leases - other leases	7,235	8,031
Fees payable to auditor - audit	11,200	9,250
- other audit services	7,950	8,100
Depreciation	<u>609,759</u>	<u>367,238</u>

7 Charitable activities

	Total 2021	Total 2020
	£	£
Direct costs - educational operations	6,341,064	4,831,649
Support costs - educational operations	<u>2,596,953</u>	<u>1,950,691</u>
	<u>8,938,017</u>	<u>6,782,340</u>

	Educational operations	2020/21 Total	2019/20 Total
	£	£	£
Analysis of support costs			
Support staff costs	1,325,649	1,325,649	991,010
Depreciation	75,249	75,249	43,961
Premises costs	419,277	419,277	258,644
Legal costs - other	26,563	26,563	59,775
Other support costs	712,815	712,815	579,382
Governance costs	<u>37,400</u>	<u>37,400</u>	<u>17,919</u>
Total support costs	<u>2,596,953</u>	<u>2,596,953</u>	<u>1,950,691</u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	4,752,055	3,708,260
Social security costs	442,197	319,353
Pension costs	1,441,466	1,158,919
	<u>6,635,718</u>	<u>5,186,532</u>
Agency staff costs	251,410	7,322
	<u>6,887,128</u>	<u>5,193,854</u>

Staff numbers

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

	2020/21 No	2019/20 No
Teachers	79	75
Administration and support	102	108
Management	8	8
	<u>189</u>	<u>191</u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

Higher paid staff

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

	2021 No	2020 No
£60,001 - £70,000	4	3
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£160,001 - £170,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £906,734 (2020: £769,219).

9 Central services

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

flat percentage of General Annual Grant (GAG) income (6%), plus an amount for pooled resources.

The actual amounts charged during the year were as follows:

	2021/20 £
St. Peter's Church of England Primary School	218,594
Hindley Green Community Primary School	290,501
St. John's Church of England Primary School, Hindley Green	154,422
St. John's Church of England Primary School, Abram	218,849
	<u>882,366</u>

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Related party transactions - trustees' remuneration and expenses (continued)

Mrs S Bruton (Chief Executive and Accounting Officer) :

Remuneration: £165,000 - £170,000 (2020 - £160,000 - £165,000)

Employer's pension contributions: £35,000 - £40,000 (2020 - £35,000 - £40,000)

During the year ended 31 August 2021 and the prior year there were no travel and subsistence expenses reimbursed or paid directly to trustees.

Other related party transactions involving the trustees are set out in note 29.

11 Trustees' and officers' insurance

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

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Tenants improvements £	Total £
Cost					
At 1 September 2020	16,769,223	1,599,512	555,261	150,704	19,074,700
Additions	-	17,763	171,478	-	189,241
Disposals	-	(5,556)	-	-	(5,556)
At 31 August 2021	<u>16,769,223</u>	<u>1,611,719</u>	<u>726,739</u>	<u>150,704</u>	<u>19,258,385</u>
Depreciation					
At 1 September 2020	953,520	1,358,486	43,487	9,524	2,365,017
Charge for the year	323,577	72,744	210,424	3,014	609,759
Eliminated on disposals	-	(5,556)	-	-	(5,556)
At 31 August 2021	<u>1,277,097</u>	<u>1,425,674</u>	<u>253,911</u>	<u>12,538</u>	<u>2,969,220</u>
Net book value					
At 31 August 2021	<u>15,492,126</u>	<u>186,045</u>	<u>472,828</u>	<u>138,166</u>	<u>16,289,165</u>
At 31 August 2020	<u>15,815,703</u>	<u>241,026</u>	<u>511,774</u>	<u>141,180</u>	<u>16,709,683</u>

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

13 Investments

The Academy owns 100% of the Ordinary shares of Play Pals Childcare Limited, a company incorporated in United Kingdom. The principal activity of the company is the provision of childcare services. Turnover for the year ended 31 August 2021 was £699,352, expenditure was £653,455 and the profit/(loss) for the year was £45,897. The assets of the company at 31 August 2021 were £552,753, liabilities were £192,686 and capital and reserves were £360,067.

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

14 Debtors

	2021	2020
	£	£
Trade debtors	37,396	1,237
VAT recoverable	36,158	32,801
Other debtors	161,750	211,750
Prepayments	68,043	62,797
Accrued income	140,478	235,978
	<u>443,825</u>	<u>544,563</u>

Included within other debtors is amounts owed from Playpals Childcare Ltd of £161,750 (2020:£211,750) of this amount £50,000 is repayable within one year.

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Salix loan	1,744	1,744
Trade creditors	59	-
ESFA creditor: abatement of GAG	148,937	-
Other creditors	1,532	8,421
Accruals	15,550	9,350
Deferred income	173,335	126,874
	<u>341,157</u>	<u>146,389</u>

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	126,874	157,641
Resources deferred in the period	173,335	126,874
Amounts released from previous periods	(126,874)	(157,641)
Deferred income at 31 August 2021	<u>173,335</u>	<u>126,874</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Special Educational Needs, Infant Free School Meals and Rates Relief.

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)

16 Creditors: amounts falling due after one year

	2021	2020
	£	£
Other creditors	<u>6,976</u>	<u>8,720</u>

The Academy Trust received Salix Funding in relation to Capital projects. Salix funding is an interest free loan approved by the Education and Skills Funding Agency (ESFA) repayable by equal instalments over eight years. Repayments falling due within one year are included in note 15.

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

17 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	356,929	6,163,234	(6,351,735)	65,656	234,084
Other DfE/ESFA grants	179,507	-	(179,507)	-	-
Other restricted income	-	441,055	(377,356)	-	63,699
Pupil premium	-	392,244	(358,612)	-	33,632
Other DfE/ ESFA grants	-	124,266	(124,266)	-	-
UIFSM	-	144,340	(61,994)	-	82,346
Teachers pay grant	-	70,139	(70,139)	-	-
Teachers pension grant	-	198,649	(198,649)	-	-
Free school opening	-	160,000	(160,000)	-	-
	<u>536,436</u>	<u>7,693,927</u>	<u>(7,882,258)</u>	<u>65,656</u>	<u>413,761</u>
Restricted fixed asset funds					
Transfer on conversion	7,258,178	-	(156,372)	-	7,101,806
DfE/ESFA Capital grants	552,276	110,038	(117,053)	-	545,261
Capital expenditure from GAG	536,206	-	(91,670)	-	444,536
Private donations	29,759	91,984	(20,813)	9,972	110,902
Transfer of UTC	8,354,948	-	(216,627)	-	8,138,321
Donated assets	-	43,232	(7,224)	-	36,008
	<u>16,731,367</u>	<u>245,254</u>	<u>(609,759)</u>	<u>9,972</u>	<u>16,376,834</u>
Restricted pension funds					
Pension reserve	<u>(3,144,000)</u>	<u>-</u>	<u>(446,000)</u>	<u>(854,000)</u>	<u>(4,444,000)</u>
Total restricted funds	14,123,803	7,939,181	(8,938,017)	(778,372)	12,346,595
Unrestricted funds					
Unrestricted general funds	<u>1,737,245</u>	<u>277,088</u>	<u>-</u>	<u>(75,628)</u>	<u>1,938,705</u>
Total funds	<u>15,861,048</u>	<u>8,216,269</u>	<u>(8,938,017)</u>	<u>(854,000)</u>	<u>14,285,300</u>

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

17 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	79,996	4,702,732	(4,791,224)	365,425	356,929
Other DfE/ESFA grants	-	1,050,888	(871,381)	-	179,507
Other restricted income	-	331,496	(331,496)	-	-
	<u>79,996</u>	<u>6,085,116</u>	<u>(5,994,101)</u>	<u>365,425</u>	<u>536,436</u>
Restricted fixed asset funds					
Transfer on conversion	7,569,836	-	(311,658)	-	7,258,178
DfE/ESFA Capital grants	449,205	126,785	(23,714)	-	552,276
Capital expenditure from GAG	304,520	-	(12,537)	244,223	536,206
Private donations	31,037	-	(1,278)	-	29,759
Transfer of UTC	-	8,373,000	(18,052)	-	8,354,948
	<u>8,354,598</u>	<u>8,499,785</u>	<u>(367,239)</u>	<u>244,223</u>	<u>16,731,367</u>
Restricted pension funds					
Pension reserve	(2,847,000)	(145,000)	(421,000)	269,000	(3,144,000)
Total restricted funds	5,587,594	14,439,901	(6,782,340)	878,648	14,123,803
Unrestricted funds					
Unrestricted general funds	<u>2,102,922</u>	<u>243,971</u>	<u>-</u>	<u>(609,648)</u>	<u>1,737,245</u>
Total funds	<u><u>7,690,516</u></u>	<u><u>14,683,872</u></u>	<u><u>(6,782,340)</u></u>	<u><u>269,000</u></u>	<u><u>15,861,048</u></u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Funds (continued)

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

General Annual Grant must be used for the normal running expenses of an Academy and any amounts carried forward at the end of the financial year must be in accordance with the terms of the Funding Agreement.

Other DfE/ESFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants include LA funding for Special Education Needs and growth funding.

Other restricted funds include contributions received for educational visits and non public donations and the related expenditure.

The pension reserve represents the value of the Academy's share of the deficit in the Local Government Pension Scheme. The deficit at 1 September 20 was £3,144,000, the total deficit had risen to £4,444,000 at 31 August 2021.

Restricted fixed assets funds are those funds relating to the long term assets of the Academy used in delivering the objects of the Academy.

Unrestricted funds are funds which the Trustees may use in the pursuance of the Academy's objectives and are expendable at the discretion of the Trustees.

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

17 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
St. John's Church of England Primary School, Abram	409,991	389,594
Hindley Green Community Primary School	905,895	857,401
St. John's Church of England Primary School, Hindley Green	392,479	375,348
St. Peter's Church of England Primary School	313,526	313,941
University Collegiate	43,906	25,090
Central services	<u>286,669</u>	<u>312,307</u>
Total before fixed assets and pension reserve	2,352,466	2,273,681
Transfer on conversion	16,376,834	16,731,367
Pension reserve	<u>(4,444,000)</u>	<u>(3,144,000)</u>
Total	<u>14,285,300</u>	<u>15,861,048</u>

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
Hindley Green Community Primary School	1,211,909	169,222	50,714	217,677	1,649,523
St. John's Church of England Primary School, Abram	871,709	97,774	31,251	152,659	1,153,393
St. Peter's Church of England Primary School	923,880	112,784	21,572	150,390	1,208,625
St. John's Church of England Primary School, Hindley Green	700,831	86,116	23,416	125,405	935,768
University Collegiate	1,290,207	189,851	74,028	290,230	1,844,315
Central services	<u>562,943</u>	<u>280,901</u>	<u>2,049</u>	<u>226,299</u>	<u>1,090,634</u>
Academy Trust	<u>5,561,479</u>	<u>936,648</u>	<u>203,030</u>	<u>1,162,660</u>	<u>7,882,258</u>

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)

17 Funds (continued)

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Hindley Green Community Primary School	1,158,992	142,745	105,182	220,840	1,627,760
St. John's Church of England Primary School, Abram	820,297	88,086	49,103	135,686	1,093,173
St. Peter's Church of England Primary School	885,693	83,990	55,294	136,579	1,161,556
St. John's Church of England Primary School, Hindley Green	685,297	62,458	37,365	118,852	903,971
University Collegiate	84,117	15,764	1,628	11,306	112,814
Central services	568,448	234,967	41,048	250,363	1,094,827
Academy Trust	<u>4,202,844</u>	<u>628,010</u>	<u>289,620</u>	<u>873,626</u>	<u>5,994,101</u>

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

18 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	16,289,165	16,289,165
Investments	-	-	1	1
Current assets	1,938,705	761,894	87,668	2,788,267
Current liabilities	-	(341,157)	-	(341,157)
Creditors over 1 year	-	(6,976)	-	(6,976)
Pension scheme liability	-	(4,444,000)	-	(4,444,000)
Total net assets	<u>1,938,705</u>	<u>(4,030,239)</u>	<u>16,376,834</u>	<u>14,285,300</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	16,709,683	16,709,683
Investments	-	-	1	1
Current assets	1,737,245	691,545	21,683	2,450,473
Current liabilities	-	(146,389)	-	(146,389)
Creditors over 1 year	-	(8,720)	-	(8,720)
Pension scheme liability	-	(3,144,000)	-	(3,144,000)
Total net assets	<u>1,737,245</u>	<u>(2,607,564)</u>	<u>16,731,367</u>	<u>15,861,048</u>

19 Capital commitments

	2021 £
Contracted for, but not provided in the financial statements	<u>68,213</u>

20 Long-term commitments, including operating leases

Operating leases

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

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

20 Long-term commitments, including operating leases (continued)

	2021 £	2020 £
Amounts due within one year	7,584	8,540
Amounts due between one and five years	<u>19,256</u>	<u>2,561</u>
	<u>26,840</u>	<u>11,101</u>

21 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

	2020/21 £	2019/20 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(721,748)	7,901,532
Depreciation	609,759	367,239
Capital grants from DfE and other capital income	(245,254)	(126,785)
Interest receivable	(2,954)	(9,070)
Defined benefit pension scheme cost less contributions payable	389,000	363,000
Defined benefit pension scheme finance cost	57,000	58,000
Decrease/(increase) in debtors	100,738	(115,741)
Increase/(decrease) in creditors	194,768	(216,070)
Pension deficit transferred	-	145,000
Assets transferred from UTC into trust	<u>-</u>	<u>(8,373,000)</u>
Net cash provided by/(used in) Operating Activities	<u>381,309</u>	<u>(5,895)</u>

22 Cash flows from financing activities

	2020/21 £	2019/20 £
Repayments of borrowing	<u>(1,744)</u>	<u>(1,744)</u>
Net cash used in financing activities	<u>(1,744)</u>	<u>(1,744)</u>

23 Cash flows from investing activities

	2020/21 £	2019/20 £
Dividends, interest and rents from investments	2,954	9,070
Purchase of tangible fixed assets	(146,009)	(399,911)
Capital funding received from sponsors and others	<u>202,022</u>	<u>126,785</u>
Net cash provided by/(used in) investing activities	<u>58,967</u>	<u>(264,056)</u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)

24 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>2,344,442</u>	<u>1,905,910</u>
Total cash and cash equivalents	<u>2,344,442</u>	<u>1,905,910</u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

25 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	1,905,910	438,532	2,344,442
Loans falling due within one year	(1,744)	-	(1,744)
Loans falling due after more than one year	(8,720)	1,744	(6,976)
	<u>(10,464)</u>	<u>1,744</u>	<u>(8,720)</u>
Total	<u>1,895,446</u>	<u>440,276</u>	<u>2,335,722</u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

26 Contingent liabilities

During the life of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the academy shall repay to the Secretary of State sums determined by reference to:-

- a) the value at that time of the academy's site and premises and other assets held for the purpose of the academy and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

27 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.

28 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

The TPS is an unfunded scheme to which both 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 period amounted to £726,465 (2020: £518,905). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £360,000 (2020 - £339,000), of which employer's contributions totalled £276,000 (2020 - £259,000) and employees' contributions totalled £84,000 (2020 - £80,000). The agreed contribution rates for future years are 19.6 per cent (Quest) and 15.9 per cent (UCS) for employers and are banded from 5.5 to 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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

	2021 %	2020 %
Rate of increase in salaries	3.70	3.00
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.70</u>

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

	2021	2020
Retiring today		
Males retiring today	20.50	20.50
Females retiring today	23.30	23.10
Retiring in 20 years		
Males retiring in 20 years	21.90	22.00
Females retiring in 20 years	<u>25.30</u>	<u>25.00</u>

Sensitivity analysis

	2021 £	2020 £
Discount rate -0.1%	221,000.00	831,000.00
Pension rate +0.1%	199,000.00	736,000.00
Mortality assumption +1 year increase	334,000.00	245,000.00
Salary rate +0.1%	<u>18,000.00</u>	<u>80,000.00</u>

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

Quest (A Church of England Schools Trust)

**Notes to the Financial Statements for the Year Ended 31 August 2021
(continued)**

28 Pension and similar obligations (continued)

	2021	2020
	£	£
Equities	2,768,000	2,018,920
Government bonds	585,000	475,040
Property	273,000	207,830
Cash and other liquid assets	<u>273,000</u>	<u>267,210</u>
Total market value of assets	<u><u>3,899,000</u></u>	<u><u>2,969,000</u></u>

The actual return on scheme assets was £619,000 (2020 - (£19,000)).

Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£	£
Current service cost	(389,000)	(363,000)
Interest income	53,000	51,000
Interest cost	<u>(110,000)</u>	<u>(109,000)</u>
Total amount recognized in the SOFA	<u><u>(446,000)</u></u>	<u><u>(421,000)</u></u>

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

	2020/21	2019/20
	£	£
At start of period	6,113,000	5,389,000
Transferred in on existing academies joining the trust	-	292,000
Current service cost	665,000	622,000
Interest cost	110,000	109,000
Employee contributions	84,000	80,000
Actuarial (gain)/loss	1,420,000	(339,000)
Benefits paid	<u>(49,000)</u>	<u>(40,000)</u>
At 31 August	<u><u>8,343,000</u></u>	<u><u>6,113,000</u></u>

Quest (A Church of England Schools Trust)

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

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

	2020/21	2019/20
	£	£
At start of period	2,969,000	2,542,000
Transferred in on existing academies joining the trust	-	147,000
Interest income	53,000	51,000
Actuarial gain/(loss)	566,000	(70,000)
Employer contributions	276,000	259,000
Employee contributions	84,000	80,000
Benefits paid	<u>(49,000)</u>	<u>(40,000)</u>
At 31 August	<u>3,899,000</u>	<u>2,969,000</u>

29 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

Play Pals Childcare Ltd

(Play Pals Childcare Ltd - a company in which S Bruton(Director/Trustee), J Jones (Chief Operating & Finance Officer) & J Adams (Director of Education) are directors of Play Pals Childcare Ltd.)

During the year the trust paid £1,809 to Play pals Childcare Ltd.

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due to Play Pals Childcare Ltd was £Nil (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Income related party transactions

During the year the academy made the following related party transactions:

Play Pals Childcare Ltd

(Play Pals Childcare Ltd - a company in which S Bruton(Director/Trustee), J Jones (Chief Operating & Finance Officer) & J Adams (Director of Education) are directors of Play Pals Childcare Ltd.)

The trust & its schools received £202,500 from Play Pals Childcare Ltd in respect of loan repayments and donations..