



Leaders in Learning Multi Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2022



Winterhill School
Founder of Leaders in Learning Multi Academy Trust

Company Registration Number:
09482529 (England and Wales)

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REFERENCE AND ADMINISTRATIVE DETAILS**Members**

A Booth
A Hinds
J Staveley

Trustees

A Booth
A Hinds (Chair)
S Rhodes (Staff Trustee and Accounting Officer)
S Robinson
D Woodhouse
H Butterworth

Senior Leadership Team

S Rhodes, Headteacher, Accounting Officer
A Reeder, Deputy Headteacher
S Duffy, Associate Deputy Headteacher
H Carnegie, Assistant Headteacher
C McDonald, Assistant Headteacher
R Modelewska-Llukaj, Assistant Headteacher
D Cleaver, Assistant Headteacher
M Owen, Assistant Headteacher (on secondment)
A Brookes, Chief Financial Officer

Company Detail

Company Name: Leaders in Learning Multi Academy Trust

Principal and Registered Office: Winterhill School
High Street
Kimberworth
Rotherham
South Yorkshire
S61 2BD

Company Registration Number: 09482529 (England and Wales)

Independent Auditor: Marriott Gibbs Rees Wallis Limited
Chartered Certified Accountants and Registered Auditors
First Floor
Unit 4
Broadfield Court
Sheffield
S8 0XF

Bankers: The Royal Bank of Scotland
5 Church Street
Sheffield
South Yorkshire
S1 2GF

Solicitors: Irwin Mitchell LLP
Wellington Place
Leeds
LS1 4BZ

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Winterhill School converted to academy status on the 1 February 2016 as the founder of Leaders in Learning Multi Academy Trust. The academy trust currently operates one academy (Winterhill School) for students aged 11 to 16 serving a catchment area in Rotherham, South Yorkshire. It has a student capacity of 1,350 and had a roll of 873 in the school census of October 2022.

1. Structure, Governance and Management

Constitution

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

The trustees of Leaders in Learning Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Leaders in Learning Multi Academy Trust.

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

Subject to the provisions of the Companies Act 2006 and Article 6.3 of the academy trust's Articles, every trustee or other officer or auditor of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

Since the incorporation of Leaders in Learning Multi Academy Trust on the 1 February 2016, the trustees have been insured in respect of governors' liability, the limit of indemnity is £5,000,000.

2. Method of Recruitment and Appointment or Election of Trustees

Appointment of Trustees

The members of the academy trust may appoint by ordinary resolution up to twelve trustees. The members may appoint staff trustees through such process as they may determine. The total number of trustees including the Chief Executive Officer (if they so choose to act as trustee under the academy trust Articles) who are employees of the academy trust shall not exceed one third of the total number of trustees.

Trustees' Report (continued)

Appointment of Parent Trustees

In circumstances where the trustees have not appointed local governing bodies in respect of the academies as envisaged in Article 100a of the academy trust Articles, or if no provision is made for at least two parent local governors on each established local governing body pursuant to the Articles, there shall be a minimum of two parent trustees and otherwise such number as the members shall decide who shall be appointed or elected in accordance with the Articles.

Chief Executive Officer and Headteacher

The trustees shall appoint the Chief Executive Officer of the academy trust and headteachers of academies within the academy trust.

The Chief Executive Officer may, if they agree to so act and their appointment is ratified by the members, be a trustee.

Co-opted Trustees

The trustees may appoint co-opted trustees.

A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the academy trust as a co-opted trustee if thereby the number of trustees who are employees of the academy trust would exceed one third of the total number of trustees including the chief executive officer to the extent he or she is a trustee.

3. Policies and Procedures Adopted for the Induction and Training of Trustees

The trust promotes good practice and has an induction procedure which ensures essential information is given to the trustee, as well as gathering information with regard to the trustee. In order to be fully prepared for their duties, new trustees must ensure all necessary procedures and checks contained within the trust's governance checklist document are followed.

The procedure ensures that the trust is fully aware of the skills and knowledge of the new trustee and potential areas for training and improvement are identified. Before undertaking their duties, new trustees will ensure all areas of concern have been covered.

The trust sources governance training via annual subscriptions to The Key and the National Governance Association. Trustees also receive annual safeguarding training internally.

4. Organisational Structure

The organisational structure of Leaders in Learning Multi Academy Trust consists of a board of trustees and members and an appointed accounting officer who is the headteacher of Winterhill School. It is the intention of the trust that once it grows and the number of academies increases, a Chief Executive Officer will be appointed and they will undertake the role of accounting officer. Until such time as a Chief Executive Officer is appointed, the board undertakes the role and responsibilities and delegates to the headteacher as it deems acceptable.

Trustees' Report (continued)

For 2021-2022 Winterhill School has had a senior leadership team consisting of a headteacher, one deputy headteacher, one associate deputy headteacher, four assistant headteachers, a part time assistant headteacher seconded from another school to cover maternity leave at Winterhill School, and a chief financial officer.

The trust has an agreed accountability framework and scheme of delegation. The framework provides clarity about the duties, roles and responsibilities of all partners and is imperative to secure effective systems of leadership, management and operation, to manage risk effectively and secure required outcomes. The accountability framework addresses:

- a) Who in the organisation has the power to make decisions.
- b) The decisions individuals or groups are empowered to make.
- c) Where and with whom consultation needs to take place before decisions are made.
- d) Where and with whom advice should be sought before decisions are made.

The framework clarifies arrangements for monitoring and where appropriate, intervention and how this will work in practice. An overview of the accountabilities is provided in the framework in a diagrammatic/table format. The table sets out the ways in which trustees fulfil their responsibilities for leadership and management of the academy trust, the respective roles and responsibilities of the trust board and committees, the trust's chief executive officer, local governing bodies and academy headteachers.

Power of delegation as per the academy trust's policy is as follows:

- The starting point for the accountability framework needs to be a shared understanding across the academy trust that, in accordance with the Department for Education, academy trust Articles and the Master Funding Agreement (MFA), sole decision-making power resides with the board acting on behalf of the academy trust in accordance with the sponsor's vision and values.
- The academy trust and not individual academies is the legal entity, as such, only the board on behalf of the academy trust and not local governing bodies has the legal authority to make decisions about:
 - i) Employment issues
 - ii) Finance issues
 - iii) Land ownership or leases and;
 - iv) Contracts
- The academy trust is the admissions authority for all trust academies. Therefore, the board must determine and keep under review the admissions arrangements for all academies, ensuring that they are compliant with the national Admissions Code.
- The presumption therefore, is that all legal and strategic decision-making authority lies with the academy trust. However, while the academy trust (via the trust board) holds this ultimate authority, the Department for Education, trust Articles and Master Funding Agreement make clear that the board has the power to delegate decision making as it deems appropriate to sub-committees, to the academy trust's chief executive officer, local governing bodies and academy headteachers.

Trustees' Report (continued)

- The framework must be approved and regularly reviewed by the board. Individual officers within the academy trust and local governing bodies should not make decisions or take unilateral action outside of this framework unless this approval has been given. To do so could lead to legal challenge and significantly increase risk. By approving the accountability framework, the board, in effect, gives this permission.
- Where delegated decisions are made by the academy trust's Chief Executive Officer or senior officers on their behalf, they should be formally recorded in a decision record so that an audit trail of decisions taken, when and by whom, can be maintained. Local governing bodies should record decisions in the minutes of their meetings.

5. Arrangements for Setting Pay and Remuneration of Key Management Personnel

Trustees undertake their role on a voluntary basis. Determining pay scales and progression for senior leaders employed by the trust is carried out in accordance with the trust's pay policy. Determination of starting salaries and pay ranges on appointment is as follows:

- **Headteachers** – decisions on setting or amending pay ranges for headteachers will be taken in accordance with the relevant paragraphs of the current School Teachers Pay and Conditions Document, which deal with the determination of the school's headteacher group and headteacher pay range. The pay may exceed the maximum of the headteacher group and headteacher pay range, whereby the relevant body determines that circumstances specific to the role or candidate warrant a higher than normal payment. The headteacher's pay and any additional payments should not exceed the maximum more than 25%, unless in exceptional circumstances and supported by a business case. Additional payments can be made to a headteacher for temporary and/or fixed term responsibilities and/or duties that are in addition to the post for which their salary has been determined.
- **Headteachers accountable for more than one school** – where the school joins, or has joined more schools to form a permanent or temporary partnership under one single headteacher, governance arrangements will be established to oversee the pay and also the appraisal/performance management of the headteacher for the duration of the partnership.
- **Deputy headteachers and assistant headteachers** – decisions on setting or amending pay ranges for deputy and assistant headteachers will be taken in accordance with the relevant paragraphs of the current School Teachers Pay and Conditions Document, which deal with the determination of the pay ranges for those staff. The pay range for a deputy or assistant headteacher should only overlap the headteacher's pay range in exceptional circumstances.

With regard to pay progression for the senior leadership team, the relevant body must consider annually whether members of the senior leadership team are to be awarded an incremental rise within the relevant pay range. In agreeing movement up the pay scale, the governing body will consider whether the individual has demonstrated sustained high quality performance, having regard to the results of the most recent appraisal.

Trustees' Report (continued)

6. Trade Union Facility Time

As required by the Trade Union (Facility Time Publication Requirements) Regulation 2018, Leaders in Learning Multi Academy Trust - Winterhill School publishes this information:

Table 1

Relevant Union Official

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

Table 2

Percentage of time spent on facility time

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

Table 3

Percentage of pay bill spent on facility time

Details	Figures
The total cost of facility time	£204.95
The Total Pay Bill	£4,923,497.92
Percentage of total pay bill spent on facility time	0.004%

Table 4

Paid Trade Union Activity

Time spent on Trade Union activity as a percentage of paid facility time	0 hours out of 5 hours - 0%
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7. Related Parties and other Connected Charities and Organisations

The academy trust is not part of a wider network, such as a soft federation. The academy trust confirms that there are no related parties and/or other connected charities and organisations to disclose within the financial statements for year ended 31 August 2022.

Trustees' Report (continued)

8. Objectives and Activities

The principle objective of Leaders in Learning Multi Academy Trust is to establish and maintain academies in accordance with the Master Funding Agreement. The principle activity of the academy trust is to provide a high quality, free education, offering a broad and balanced curriculum for students aged 11 to 16.

9. Objects and Aims

The aim is to create academies with an outstanding environment for learning which allows all to aspire, to achieve and enables all to be included. As a result, children and young people within the academy trust will make the best possible progress and receive an outstanding education. The academy trust will support and challenge academies to:

- Ensure high quality teaching and learning is at the heart of everything they do.
- Provide a rich, broad and balanced curriculum.
- Provide a wide range of enrichment opportunities that excite and connect their local communities and life beyond the classroom.
- Support and challenge all students to be the best they can be.
- Ensure all students progress onto the next stage.
- Work closely with families and community partners to support learning.
- Value and seek collaboration and the sharing of best practice.
- Provide outstanding training and professional development opportunities and between schools.

Currently the academy trust comprises of the founder institution, Winterhill School.

10. Objectives, Strategies and Activities

Winterhill School, founding institution of the academy trust, is centred in its community and believes that valuing diversity, embracing collaboration and seeking genuine partnership with families, communities and other educational partners, is the best way to improve the life chances our young people.

Specific objectives and related activities for 2021/22 were as follows:

10.1 Leadership and Management

- Improving the impact of leadership on outcomes
- Staff wellbeing

10.2 Quality of Education

- Strategies to support SEND
- Literacy (reading) across the curriculum

Trustees' Report (continued)

10.3 Personal Development

- Personal development curriculum
- Enrichment

10.4 Behaviour and Attitudes

- Attendance
- Attitude towards learning

11. Public Benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit. The key public benefit delivered by Leaders in Learning Multi Academy Trust is the maintenance and development of high-quality education provided by the academy trust.

The academy trust not only offers a broad and balanced academic education, it also aims to prepare young people for their next life stage by means of a comprehensive programme of extra-curricular activities, educational visits, community and business links.

Strategic Report

12. Achievements and Performance

Winterhill School is a larger than average secondary school serving a multicultural, diverse community in North West Rotherham. The school caters for approximately 900 students. The proportion of students who receive Pupil Premium funding is above average, as is the number of students identified with Special Educational Needs and Disability (SEND). Attainment on entry is below average. An increasing population of students are new arrivals with language skills that require development and limited experience of education.

Educational performance remains consistent. Detailed planning of the curriculum in all subjects has been successfully implemented alongside a research led pedagogical approach to teaching. Examinations returned in 2022 and the school's P8 score was in the National Average band. Given the starting points of our students and in particular the complex nature of this post pandemic cohort, this represents good progress for the majority.

Current cohorts' progress is on track to be positive, with a comprehensive package of intervention for those most affected by the pandemic.

The school's self-evaluation indicates that the school remains good in all areas and that capacity for further improvement and growth remains strong.

Trustees' Report (continued)

13. Key Performance Indicators

Measure	Outcome
Progress 8	-0.11
Attainment 8	46.72
% of 5+ in English & Maths	41%
% of 4+ in English and Maths	66%
% Achieving Ebacc	3%
Entered for Ebacc	4%
Sustained Education Destination ⁽²⁰²²⁾	94%

N.B Due to the impact of the pandemic it is not recommended that comparisons are made between schools or previous year's results. A range of factors have influenced these results, including student population information.

14. Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The trust has returned an in year surplus, before Local Government Pension costs, for the year ended 31 August 2022, with a further surplus forecast for 2022-23. The surplus will be utilised to replenish reserves in order to maintain a strong position for the academy going forward, especially in view of the uncertainty around future funding for increased energy and salary costs.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

15. Financial Review

The majority of the academy trust's income is funding received in grants from the Department for Education, Education and Skills Funding Agency and Local Authority. The grants received during for the year ended 31 August 2022 and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Trustees' Report (continued)

The academy trust also receives donated assets and grants for fixed assets from the Education and Skills Funding Agency. In accordance with the Charities SORP (FRS 102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charged over the expected useful life of the assets concerned.

The total expenditure of £7,451k as at year ended 31 August 2022 was covered by grant funding from the Education and Skills Funding Agency together with other incoming resources, plus the agreed use of carry forward reserves, both revenue and fixed asset. Total income in year was £7,415k.

This meant for the year 2021-2022 there was a deficit position of £36k, after allowance of depreciation and pension scheme adjustments, before the actuarial gain.

The Trust's fund balances are as outlined in the table below:

Unrestricted Funds	Restricted General Funds	Pension Reserve	Restricted Fixed Asset Funds	Total Funds
£000	£000	£000	£000	£000
609	604	(1,601)	13,852	13,464

Total revenue reserves as at 31 August stand at £1,213k, split £609k unrestricted funds and £604k restricted funds.

The net book value of fixed assets as at year ended 31 August 2022 was £13,852k. There were £150k of capitalised fixed asset additions purchased within the period including an IT upgrade for the Maths and Science departments, and a significant project to replace the surface of Winterhill School's existing astro turf; the latter being a condition of the original funding grant received from the Football Foundation when the turf was first installed. The bulk of this was funded by capital expenditure grants received from the Department for Education over the last few years and deliberately built up to support with the expense. Some furniture was sold to another local trust and a transfer of £31k was made from restricted reserves to the fixed asset reserves to cover the shortfall. Any assets purchased but not capitalised are used exclusively for providing education and associated support services to the students of the academy trust.

The trustees will endeavour to keep an appropriate level of General Annual Grant (GAG) in reserve that it considers necessary for future operations and any capital projects or capital replacement. The trustees have also decided that all unrestricted reserves will be utilised in helping the trust achieve its objectives.

The actuarial valuation of the pension scheme and the corresponding liability does not result in an immediate cash flow impact to the academy trust. The trustees are confident that any liabilities can be met as they fall due.

The current level of reserves is considered appropriate for the academy trust. The reserves policy is subject to annual review.

Trustees' Report (continued)

16. Reserves Policy

16.1 Reserves

The trustees review the reserve levels of the academy trust regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. For the year ended 31 August 2022, the academy trust met a cumulative minimum reserve of £609k, unrestricted funds. The restricted funds balance stands at £604k giving total reserves at £1,213k, higher than the minimum requirement of the policy of 5% of gross income (£371K).

Trustees consider the level of reserves held at year ended 31 August 2022 to be at the right level looking at the financial forecasts for the Trust going forward. At the moment the reserves policy is constantly under review in light of the balances held and financial forecasts moving forward, including future funding changes.

16.2 Capital

Purpose:

Academies within the academy trust are expected to create reserves from their annual General Annual Grant (GAG) funding. During the early years of operation, GAG funding levels create little opportunity to achieve a surplus. Currently, the Department for Education provides minimal funding in the way of Devolved Formula Capital grant.

Leaders in Learning Multi Academy Trust requires each academy to identify projects and opportunities to acquire a capital reserve.

Scope:

The school business manager and/or finance manager within each academy, in conjunction with the headteacher, is responsible for ensuring compliance with academy trust policies and procedures.

Procedure:

- The school business manager and/or finance manager should propose a capital reserve schedule to the board of trustees identifying the need to replace assets and the related sums required.
- Trustees should agree the value of capital reserves to be created in a year as part of the budget approval process.
- Funds should be identified as a capital reserve within the accounts at such a time that is clear that to do so would not create a deficit cash flow situation.
- Spend of the capital reserve fund should only occur as agreed budgeted spend, which is approved by the trustees as part of the budget process.

Trustees' Report (continued)

16.3 Revenue

Purpose:

Academies are expected to hold contingency reserves from their annual GAG funding or other income.

Leaders in Learning Multi Academy Trust require a revenue reserve to be created in each academy to fund future expenditure related to the strategic long-term aims and developments.

Scope:

The school business manager and/or finance manager within each academy, in conjunction with the headteacher, is responsible for ensuring compliance with academy trust policies and procedures.

Procedure:

Policy of the academy trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the Department for Education and Education and Skills Funding Agency, if such a level is published for each relevant year.

17. Investment Policy

The academy trust Articles gives trustees the power to expend the funds of the trust in such manner as they shall consider most beneficial for the achievement of the Objects and to invest in the name of the trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Objects. In the exercise of their powers and functions, the trustees may consider any advice given by the chief executive officer to the extent he or she is not a trustee and any other executive officer.

In accordance with the academy trust's financial rules and procedures, investments must be made only in accordance with the written approval of the trustees. All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated.

Additional procedures may be required to ensure any income receivable from the investment is received.

18. Principal Risks and Uncertainties

Trustees have identified and put in place control measures to terminate, treat, transfer or tolerate the following major risks:

- Failure to meet education objectives
- Deficit budget and inability to meet financial obligations
- Failure to comply with statutory legislation
- Failure to insure and indemnify against insurable risks
- Maintenance of student numbers, as funding is linked directly to student numbers

Trustees' Report (continued)

During the year to try and follow the requirements of the Academies Trust Handbook and to complement the Risk Management Strategy of the Trust it has engaged an independent Internal Auditor, Armstrong Watson, and they have undertaken work on VAT reviews and management accounting reporting. The work has been completed before production of the financial statements to allow the summaries to be submitted.

For the year 2022-23 the Trust will again appoint an independent internal auditor who will conduct reviews in line with the requirements of the Academies Trust Handbook.

Once again the work will be over seen by the Finance and Audit committee, with full reporting being made to the Trust board.

19. Fundraising

The majority of the academy trust's income is funding received in grants from the Department for Education, Education and Skills Funding Agency and Local Authority.

Additional funding is received via grant applications, voluntary donations from individuals to cover specific areas of the Academy's work as a teaching and learning establishment. The Trust also generates income from use of its facilities which it uses to support Trust educational activities.

Trustees' Report (continued)

All fundraising conforms to recognised standards and monitored as such, no complaints have been received during the year and there are no areas of fundraising that places undue pressure on others to donate.

20. Plans for Future Periods

In order to sustain the current success of Winterhill School, the following four key areas remain the basis of the 2022/2023 school improvement plan:

20.1 Quality of Education

- Reading
- Personalised teaching

20.2 Behaviour and Attitudes

- Engagement with learning

20.3 Personal Development

- Enriching lives

20.4 Impact of Leadership

- Culture of wellbeing

Trustees' Report (continued)

The growth strategy for the academy trust can be summarised as follows:

Short term: Seek strong partners committed to the values of Leaders in Learning Multi Academy Trust. Initially, this may be some of our partner primary schools. In addition, there should be engagement with another secondary school (either as a converter or standalone academy) to provide support and challenge. This will include opportunities to strengthen the Trust Board.

To this end Leaders in Learning has entered into a two year Trust Partnership Agreement (non-statutory) with Inspire Trust, Rotherham (Primary, Secondary and 6th Form College) to work on common objectives. This includes the option of moving to more formal arrangements within the agreement period.

Medium term: The secondary partnership should develop sufficient capacity by this stage to support other schools. The Trust Board should be fully reviewed and strengthened in-line with the academy trust structure at this stage.

Long term: The Trust comprises of a mixed phase core of strong schools with sufficient capacity to formally support other schools (through sponsorship arrangements if necessary). This may be through amalgamation of existing trusts. A central executive team will be fully established. It is the clear aim that all schools improve faster as a result of targeted improvement work and that all schools maintain improvements and move onto the next level.

21. Auditor

Insofar as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 01/12/2022 and signed on the board's behalf by:

Sign:



Print name: A Hinds

Date: 01/12/2022

GOVERNANCE STATEMENT

1. Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the headteacher (appointed as headteacher in November 2016), as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Leaders in Learning Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

2. Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met five times during the year ended 31 August 2022. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Booth	2	5
A Hinds (Chair)	5	5
S Rhodes (Staff trustee)	5	5
S Robinson	3	5
D Woodhouse	3	5
H Butterworth	4	5

S Rhodes is headteacher and accounting officer.

3. Governance Reviews

Upon formation, the board sought independent, consultancy advice on processes and procedures. This advice provided suitable guidance for the first phase of operation as an academy trust.

In order to discharge its duties appropriately, a separate Finance, Audit and Risk committee has been created which consists of:

- Steve Robinson, Chair and Trust Board Member
- Anne Hinds, Chair of Trust Board
- Drew Woodhouse, Local Governing Body Member and Trustee

Governance Statement (continued)

Also in attendance are Steve Rhodes, Headteacher and Accounting Officer and Anita Brookes, School Business Manager and Chief Financial Officer.

The Terms of Reference for this committee have been approved by the Trust Board and the committee will perform the duties of both financial management and audit for the Trust with specific reference to the Academies Trust Handbook requirements and financial stability of the Trust.

In terms of meetings during 2021-22 then these are documented below, the committee met five times throughout the year. Attendance for the year was as follows:

Committee Member	Meetings attended	Out of a possible
A Hinds	5	5
S Robinson (Chair)	3	5
D Woodhouse	3	5

S Rhodes and A Brookes attended all meetings.

4. Review of Value for Money

As accounting officer, the headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has continue to deliver improved value for money during the year by:

- Curriculum led financial planning, this includes a full change of timetable to achieve, while the policy of reviewing staffing when the opportunity arises during the year has continued
- The Trust has continued to use the services of other Trust's to save on fulltime employment but also to look at cost efficiencies through bulk buying and sharing resources, particularly during the severe challenges and extreme financial pressures presented by the Covid 19 pandemic and lockdown.
- Income generation through the joint management of facilities with another local Trust which aims to widen the reach into the community with a projected predicted 50-100% increase in funds generated

5. 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 ongoing 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 Leaders in Learning Multi Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Governance Statement (continued)

6. Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

7. The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports, which are reviewed and agreed by the board of trustees.
- Regular reviews by the finance, audit and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Identification and management of risks.

The full formation of the Finance and Audit committee in 2019 has enhanced this framework.

The board of trustees considered the need for a specific internal audit function and decided to appoint Armstrong Watson as internal auditor; this will comply with the requirement to have internal auditors who are not external auditors.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included VAT and management accounting information reporting. The auditor reports to the board of trustees, through the audit and risk committee, on the operation of the systems of control and on the discharge of the board of trustees financial responsibilities. On an annual basis the auditors prepare a 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. .

The Trust has updated a number of key documents and updated policies upon the recommendations that have been made and will continue to use the services of an independent Internal Auditor as part of its Risk management strategy.

Governance Statement (continued)

8. Review of Effectiveness


The Finance, Audit and Risk Committee have reviewed the work completed by the Internal Auditor including updating the Trust Risk Register; and will continue to do so.

As accounting officer, the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question, the review has been informed by:

- The work of the internal auditor
- The financial management and governance self-assessment process or the school resource management self-assessment tool
- The work of the external auditor
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 01/12/2022 and signed on its behalf by:

Sign:  _____
A Hind
Trustee

Sign: *S Rhodes* _____
S Rhodes
Accounting Officer

Date: 01/12/2022 _____

Date: 01/12/2022 _____

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 2021 to 2022.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 01/12/2022 and signed on its behalf by:

Sign:



Print name: A Hinds, Trustee

Date:

01/12/2022

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEADERS IN LEARNING MULTI ACADEMY TRUST**Opinion**

We have audited the financial statements of Leaders in Learning Multi Academy Trust (the 'Academy') for the year ended 31 August 2022, 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, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 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 2021 to 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Trust's ability to continue as a going concern for a period of at least twelve months from when the original financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEADERS IN LEARNING MULTI ACADEMY TRUST - Continued**Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)**

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

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 course of our 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 including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report including the incorporated Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 23, 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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEADERS IN LEARNING MULTI ACADEMY TRUST - Continued

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

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.

Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Enquiring with management and trustees concerning any actual or potential litigation or claims;
- Inspecting correspondence with regulators and legal advisors;
- Reviewing minutes of trustees meetings; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEADERS IN LEARNING MULTI ACADEMY TRUST - Continued

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by reviewing transactions around the end of the reporting period and by testing the appropriateness of journals and other adjustments;
- Performing analytical procedures to identify unexpected changes or movements to account balances which may be indicative fraud;
- Assessing whether the judgements made in making accounting estimates are indicative of any potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, misrepresentations, forgery, intentional omissions, collusion, or the override of internal controls.

The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEADERS IN LEARNING MULTI ACADEMY TRUST - Continued**Use of our report**

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



Tina Dawn Havenhand FCCA (Senior Statutory Auditor)
For and on behalf of Marriott Gibbs Rees Wallis Limited
Chartered Certified Accountants and Statutory Auditor
Unit 4, Broadfield Court
Sheffield
S8 0XF

Date: 01/12/2022

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LEADERS IN LEARNING MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 August 2022 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Leaders in Learning Multi Academy Trust during the period 1 September 2021 to 31 August 2022 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 Leaders in Learning Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Leaders in Learning Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Leaders in Learning Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Leaders in Learning Multi Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Leaders in Learning Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 December 2014 and the Academies Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 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.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LEADERS IN LEARNING MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY - Continued

The work undertaken to draw to our conclusion includes:

- The assessment and evaluation of relevant control procedures adopted by the Academy Trust;
- Assessing the risk of material irregularity; and
- Undertaking limited testing of income and expenditure, including identifying and testing funding agreements in place.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Marriott Gibbs Rees Wallis Limited

01/12/2022

Marriott Gibbs Rees Wallis Limited

Chartered Certified Accountants and Reporting Accountant

Unit 4, Broadfield Court

Sheffield

S8 0XF

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2022
		£000	£000	£000	£000
Income and endowments from:					
Donations and capital grants	2	-	-	46	46
Charitable activities:					
Funding for the academy trust's educational operations	3	1	7,327	-	7,328
Other trading activities	4	40	-	-	40
Investments	5	1	-	-	1
Total		42	7,327	46	7,415
Expenditure on:					
Charitable activities:					
Academy trust educational operations	6	48	7,072	331	7,451
Total		48	7,072	331	7,451
Net expenditure		(6)	255	(285)	(36)
Transfers between funds			(31)	31	0
Other recognised losses:					
Actuarial gains on defined benefit pension schemes	23	-	4,758	-	4,758
Net movement in funds		(6)	4,982	(254)	4,722
Reconciliation of funds					
Total funds brought forward		615	(5,979)	14,106	8,742
Total funds carried forward		609	(997)	13,852	13,464

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 35 to 53 form part of these financial statements.

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021
		£000	£000	£000	£000
Income and endowments from:					
Donations and capital grants	2	-	-	67	67
Charitable activities:					
Funding for the academy trust's educational operations	3	4	7,325	-	7,329
Other trading activities	4	14	-	-	14
Investments	5	-	-	-	-
Total		18	7,325	67	7,410
Expenditure on:					
Charitable activities:					
Academy trust educational operations	6	35	7,469	324	7,828
Total		35	7,469	324	7,828
Net expenditure		(17)	(144)	(257)	(418)
Other recognised losses:					
Actuarial losses on defined benefit pension schemes	23	-	(630)	-	(630)
Net movement in funds		(17)	(774)	(257)	(1,048)
Reconciliation of funds					
Total funds brought forward		632	(5,205)	14,363	9,790
Total funds carried forward		615	(5,979)	14,106	8,742

BALANCE SHEET AS AT 31 AUGUST 2022**Company Number 09482529**

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	12		13,852		14,014
Current assets					
Debtors	13	195		236	
Cash at bank and in hand	21	1,569		1,219	
		1,764		1,455	
Liabilities					
Creditors: Amounts falling due within one year	14	(551)		(629)	
Net current assets			1,213		826
Total assets less current liabilities			15,065		14,840
Net assets excluding pension liability			15,065		14,840
Defined benefit pension scheme liability	24		(1,601)		(6,098)
Total assets			13,464		8,742
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	15	13,852		14,106	
. Restricted Income fund		604		119	
. Pension reserve	15	(1,601)		(6,098)	
Total restricted funds			12,855		8,127
Unrestricted income funds	15		609		615
Total funds			13,464		8,742

The financial statements on pages 30 to 53 were approved by the trustees and authorised for issue on the "01/12/2022 and are signed on their behalf by:

Sign:  _____

Print name: A Hinds

Date: 01/12/2022 _____

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	18	374	679
Cash flows from investing activities	20	(24)	8
Change in cash and cash equivalents in the reporting period		350	687
Cash and cash equivalents at 1 September 2021		1,219	532
Cash and cash equivalents at 31 August 2022	21	1,569	1,219

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**1. STATEMENT OF ACCOUNTING POLICIES**

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Leaders in Learning Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The trustees assess whether the use of going concern is appropriate, that is 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.

Income

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

Grants

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

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

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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'.

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.

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.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

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

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

- Freehold buildings 48 years
- Improvements to existing assets Astro turf 10 years
- Furniture and Equipment 5 years
- ICT Equipment 3 years
- Motor vehicles 4 years

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.

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.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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.

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 13. Prepayments are not financial instruments.

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 14. 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.

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.

Pensions Benefits

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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.

Fund Accounting

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

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

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

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 period 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,

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

which are disclosed in note 24, 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 2022. 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.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Capital Grants	-	20	20	21
Donated Fixed Assets	-	26	26	46
	<u>-</u>	<u>46</u>	<u>46</u>	<u>67</u>

Income from donations and grants relate to restricted fixed asset funds for 2022 and 2021

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,530	6,530	6,334
Other DfE/ESGA grants				
. Pupil Premium	-	340	340	348
. Supplementary	-	72	72	-
. Others	-	43	43	337
	<u>-</u>	<u>6,985</u>	<u>6,985</u>	<u>7,019</u>
Other Government grants				
. Local authority grants	-	178	178	172
	<u>-</u>	<u>178</u>	<u>178</u>	<u>172</u>
COVID-19 additional funding (DfE/ESFA)				
. Recovery/Catch-up premium	-	52	52	79
COVID-19 additional funding (non DfE/ESFA)	-	17	17	28
Other income from the academy trust's educational operations	1	95	96	31
	<u>1</u>	<u>7,327</u>	<u>7,328</u>	<u>7,329</u>

The academy received £52k of funding for catch-up premium which was fully spent in the same year.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£000	£000	£000	£000
Hire of facilities	40	-	40	14
	40	-	40	14

5. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£000	£000	£000	£000
Short term deposits	1	-	1	-
	1	-	1	-

6. EXPENDITURE

	Staff Costs	Non Pay Expenditure		Total	Total
	£000	Premises	Other	2022	2021
	£000	£000	£000	£000	£000
Academy's educational operations:					
. Direct costs	4513	-	808	5,321	5,636
. Allocated support costs	411	1,356	363	2,130	2,192
	4,924	1,356	1,171	7,451	7,828

Net expenditure for the period includes:

	2022	2021
	£000	£000
Operating lease rentals	23	17
Depreciation	331	324
Fees payable to auditor for:		
Audit	8	19
other services	5	1
	8	1

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

7. CHARITABLE ACTIVITIES

	Total 2022 £000	Total 2021 £000
Direct costs – educational operations	5,321	5,636
Support costs – educational operations	2,130	2,192
	7,451	7,828
Analysis of support costs	Total 2022 £000	Total 2021 £000
Support staff costs	411	453
Depreciation	295	306
Premises costs	1,356	1,310
Other support costs	54	98
Governance costs	14	25
Total support costs	2,130	2,192

8. STAFF

a. Staff costs

Staff costs during the period were:	Total 2022 £000	Total 2021 £000
Wages and salaries	3,386	3,775
Social security costs including apprentice levy	359	382
Pension costs	1,116	1,170
	4,861	5,327
Agency staff costs	63	29
Staff restructuring costs	-	151
	4,924	5,507
Staff restructuring costs comprise:		
Redundancy payments	-	109
Severance payments	-	29
Other restructuring costs	-	13
	-	151

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

b. Non statutory/non-contractual staff severance payments

There were no staff restructuring costs for the year to 31 August 2022. (2021: £28,777, made up of five non-statutory/non-contractual additional severance payments of £10,277, £5,000, £2,500, £6,000 and £5,000)

c. Staff numbers

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

	2022	2021
	No.	No.
Teachers	52	57
Administration and support	43	59
Management	7	6
	102	122

d. Higher paid staff

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

	2022	2021
	No.	No.
£60,001 - £70,000	1	1
£70,001 - £80,000	2	2
£100,001 - £110,000	1	1

e. Key management personnel

The key management personnel of the academy trust comprise of the senior leadership team listed on page 3 of this report, and also the services of another school's assistant headteacher seconded on a part time basis to support the school during maternity leave (with the prior agreement of the EFSA).

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £703,611. (2021: £577,438). Of this figure, £25,278 related to the seconded assistant headteacher. The role of CFO is now undertaken by A Brookes and included within this year's key management personnel figure (2021: the services of another school business manager to act as CFO were employed at an additional cost of £44,079)

9. CENTRAL SERVICES

No central services were provided by the academy trust to its academy during the period and no central charges arose. Leaders in Learning Multi Academy Trust currently consists of one academy, Winterhill School.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

10. RELATED PARTY TRANSACTIONS – TRUSTEES’ REMUNERATION AND EXPENSES

One trustee has been paid remuneration or received other benefits from an employment with the academy trust. The headteacher only receives remuneration in respect of services he provides undertaking the role of headteacher.

The value of trustee remuneration and other benefits was as follows:

S Rhodes (headteacher and trustee): Remuneration £100,000 - £105,000 (2021: £100,000- £105,000).
Employer’s pension contributions paid £20,000 - £25,000 (2021: £20,000 - £25,000)

No travel and subsistence expenses have been made by trustees or the headteacher.

11. TRUSTEES AND OFFICERS INSURANCE

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 is included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £000	Improvements to Existing Assets £000	Motor Vehicles £000	Furniture and Equipment £000	ICT Equipment £000	Total
Cost						
At 1 September 2021	15,600	-	-	21	83	15,704
Additions	-	98	-	18	34	150
Donations					26	26
Disposals				(11)		(11)
At 31 August 2022	<u>15,600</u>	<u>98</u>	<u>-</u>	<u>28</u>	<u>143</u>	<u>15,869</u>
Depreciation						
At 1 September 2021	1,630	-	-	7	53	1,690
Charged in year	292	-	-	4	35	331
Disposals				(4)		(4)
At 31 August 2022	<u>1,922</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>88</u>	<u>2,017</u>
Net book values						
At 1 September 2021	13,970	-	-	14	30	14,014
At 31 August 2022	<u>13,678</u>	<u>98</u>	<u>-</u>	<u>21</u>	<u>55</u>	<u>13,852</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)**13. DEBTORS**

	2022	2021
	£000	£000
Trade debtors	7	1
VAT recoverable	79	85
Prepayments and accrued income	109	150
	195	236

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£000	£000
Trade creditors	123	195
Other taxation and social security	88	94
Other creditors	81	93
Accruals and deferred income	259	247
	551	629

	2022	2021
	£000	£000
Deferred Income at 1 September 2021	31	24
Released from previous year	(31)	(24)
Resources deferred in the year	56	31
Deferred income at 31 August 2022	56	31

At the balance sheet date the academy trust was holding funds of £7,232 received as deposits for residential trips planned for the following academic year, £6,000 HEPPSY funding relating to 2022-23, anticipated clawback of NTP funding estimated at £42,000 and fundraising collections yet to be donated of £500.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)**15. FUNDS**

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	51	6,530	(6,150)	(31)	400
Pupil premium	-	340	(340)	-	-
Other grants	-	451	(292)	-	159
Other Generated Income	68	6	(29)	-	45
Pension reserve	(6,098)		(261)	4,758	(1,601)
	(5,979)	7,327	(7,072)	4,727	(997)
Restricted fixed asset funds					
Transfer on conversion	13,970	-	(292)	-	13,678
DfE/ESFA capital grants	136	46	(39)	31	174
	14,106	46	(331)	31	13,852
Total restricted funds	8,127	7,373	(7,403)	4,758	12,855
Total unrestricted funds	615	42	(48)	-	609
Total funds	8,742	7,415	(7,451)	4,758	13,464

Restricted general fund

The Trust is carrying a surplus of £604k excluding pension reserve on restricted general funds (2021:£119k). The fund has arisen from revenue funding provided by the government and local authorities and is to be used for educational purposes in accordance with the Trust's object and its funding agreement with the Secretary of State. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

The restricted pension fund is in deficit to the value of £1,601k (2021 £6,098k). The valuation report has been provided by a new Actuary this year. The Trustees will continue to monitor the situation closely.

Restricted fixed asset funds

The fund has arisen from government capital funding grants and assets donated by the local authority and other organisations and is to be used for educational purposes in accordance with the Trust's object and its funding agreement with the Secretary of State.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)**Unrestricted Funds**

The £609k (2021: £615k) surplus has arisen from activities for generating funds.

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	(67)	6,334	(6,216)	-	51
Pupil premium	-	348	(348)	-	-
Other grants	-	616	(616)	-	-
Other Generated Income	86	27	(45)	-	68
Pension reserve	(5,224)		(244)	(630)	(6,098)
	(5,205)	7,325	(7,469)	(630)	(5,979)
Restricted fixed asset funds					
Transfer on conversion	14,262	-	(292)	-	13,970
DfE/ESFA capital grants	101	67	(32)	-	136
	14,363	67	(324)	-	14,106
Total restricted funds	9,158	7,392	(7,793)	(630)	8,127
Total unrestricted funds	632	18	(35)	-	615
Total funds	9,790	7,410	(7,828)	(630)	8,742

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	13,852	13,852
Current assets	609	1,155	-	1,764
Current liabilities	-	(551)	-	(551)
Pension scheme liability	-	(1,601)	-	(1,601)
Total net assets	609	(997)	13,852	13,464

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	14,014	14,014
Current assets	615	748	92	1,455
Current liabilities	-	(629)	-	(629)
Pension scheme liability	-	(6,098)	-	(6,098)
Total net assets	615	(5,979)	14,106	8,742

17. LONG TERM COMMITMENTS

OPERATING LEASES

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £000	2021 £000
Amounts due within one year	23	23
Amounts due between one and five years	39	62
	62	85

FINANCIAL COMMITMENTS UNDER PFI ARRANGEMENTS

At 31 August 2022 the total of the academy trust's future minimum payments under other contractual commitments was

	2022 £000	2021 £000
Amounts due within one year	1,200	1,200
Amounts due between one and five years	4,800	4,800
Amounts due after five years	7,800	9,000
	13,800	15,000

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

The academy trust occupies premises which are subject to a private finance initiative (PFI) contract. This contract expires on 31 March 2034. The trust itself is not party to this service concession contract, however the academy trust has entered into a supporting agreement with the local authority to contribute to the costs of this contract. The above relates to commitments to operating payments including costs for catering, cleaning, and other ancillary services, defined as the Relevant Proportion and the additional cost of the contract, defined as the Affordability Gap.

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£000	£000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(36)	(418)
Adjusted for:		
Depreciation charges (note 12)	331	324
Capital grants from DfE and other capital income	(46)	(67)
Interest receivable (note 5)	(1)	-
Defined benefit pension scheme cost less contributions payable (note 23)	156	147
Defined benefit pension scheme finance cost (note 23)	105	97
(Increase)/decrease in debtors	41	498
Increase/(decrease) in creditors	(176)	98
Net cash provided / (used in) by Operating Activities	374	679

19. CASH FLOWS FROM FINANCING ACTIVITIES

There are no financing activities for the year ended 31 August 2022.

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2022	2021
	£000	£000
Dividends, interest and rents from investments	-	-
Proceeds from sale of tangible fixed assets	7	
Purchase of tangible fixed assets	(51)	(13)
Capital grants from DfE/ESFA	20	21
Net cash (used in) / provided by investing activities	(24)	8

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

Analysis cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand and at bank	1,569	1,219
Total cash and cash equivalents	1,569	1,219

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021	Cash flows	At 31 August 2022
	£000	£000	£000
Cash in hand and at bank	1219	350	1,569

23. MEMBERS LIABILITY

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

24. 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 South Yorkshire Pension Authority. 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 to the period ended 31 March 2019.

Contributions amounting to £81,418 were payable to the schemes at 31 August 2022 (2021: £92,117) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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 charge).
- 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 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 2024.

The employer's pension costs paid to TPS in the period amounted to £556,217 (2020/21: £598,043). 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £359,891 (2021: £414,871), of which employer's contributions totalled £299,334 (2021: £341,224) and employees' contributions totalled £60,557 (2021: £73,647). Included within these figures is £4,132 which was accrued for at the year end but not paid in the year. The agreed contribution rates for future years are 15.7% for employers and for employees wef 1 April 2022:

Pay bands	Contribution rate
Up to £15,000	5.5%
£15,001 - £23,600	5.8%
£23,601 - £38,300	6.5%
£38,301 - £48,500	6.8%
£48,501 - £67,900	8.5%
£67,901 - £96,200	9.9%
£96,201 - £113,400	10.5%
£113,401 - £170,100	11.4%
£170,101 or more	12.5%

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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	At 31 August 2022	At 31 August 2021
Rate of increase in salaries	4.05%	4.05%
Rate of increase for pensions in payment/inflation	3.05%	2.9%
Discount rate for scheme liabilities	4.25%	1.70%
Inflation assumption (CPI)	3.05%	2.8%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 August 2022	At 31 August 2021
<i>Retiring today</i>		
Males	22.6	22.5
Females	25.4	25.3
<i>Retiring in 20 years</i>		
Males	24.1	24
Females	27.3	27.2

Sensitivity Analysis	At 31 August 2022	At 31 August 2021
	£000	£000
Discount Rate +0.1%	No information available	(236)
Discount Rate -0.1%	147	242
Mortality Assumption – 1 year increase	243	327
Mortality Assumption – 1 year decrease	No information available	(317)
Pension / CPI rate +0.1%	116	243
CPI rate -0.1%	No information available	(237)
Salary Increase Rate +0.1%	32	-

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

	31 August 2022	31 August 2021
	£000	£000
Equity instruments - equities	3,139	2,063
Cash	45	43
Other	-	886
Other bonds	897	315
Government bonds	-	588
Property	403	366
Total market value of assets	4,484	4,261

The actual return on scheme assets was £74,000 loss (2021: £624,000).

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

Amount recognised in the Statement of Financial Activities

	2022	2021
	£000	£000
Current service cost (net of employer contributions)	(142)	(147)
Past service cost	(14)	
Net interest cost	(105)	(91)
Benefit changes, loss on curtailment and loss on settlement	-	(6)
Total amount recognised in the SOFA	<u>(261)</u>	<u>(244)</u>

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

	2022	2021
	£000	£000
At 1 September 2021	10,359	8,510
Current service cost	452	477
Interest cost	180	153
Employee contributions	61	74
Actuarial (gain)/ loss	(4,907)	1,192
Benefits paid	(74)	(47)
Past service cost	14	-
At 31 August	<u>6,085</u>	<u>10,359</u>

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

	2022	2021
	£000	£000
At 1 September 2021	4,261	3,286
Interest income	75	62
Actuarial (loss)/gain	(149)	562
Employer contributions	310	330
Employee contributions	61	74
Benefits paid	(74)	(47)
Administration expenses	-	(6)
At 31 August	<u>4,484</u>	<u>4,261</u>

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust 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. No related party transactions took place in the period of account, other than one trustee's remuneration already disclosed in note 10.