Dorrington Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number
8049062 (England and Wales)

Feltons
Chartered Accountants

Birmingham
B1 3JR

Dorrington Academy Trust
(A Company Limited by Guarantee)

Report and Financial Statements
Year ended 31 August 2022

Contents

Dorrington Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members	J Hemmings	Chair Person
	K Hyem	Vice Chair Person
	J Hamilton White	
Trustees	Miss L Barratt	Head Teacher and Accounting Officer
	Ms Lynne Cosnett	Staff trustee
	Ms Janet Hamilton-White	Community Trustee
	Mr John Hemmings	Community Trustee and Chair Person
	Mr Keith Hyem	Community Trustee and Vice Chair Person
	Mr Fayaz Khuhro	Parent Trustee
	Miss Jo Nightingale	Community Trustee
	Mrs Stephanie Ogidih	Community Trustee
	Mr John Harrison	Staff Trustee
	Mrs Jan Shrigley	Staff Trustee (became a community trustee on 1/9/21 when she retired, left Oct 21)
	Mrs Carol Shotton	Community Trustee
Company secretary	Mr K Hyem	
Senior management team	L Barratt	Head Teacher
	J Harrison	Deputy Head Teacher
	S Williamson	Deputy Head Teacher
	S Taylor	Deputy Headteacher
Company name	Dorrington Academy Trust	
Principal and registered office	Dorrington Academy Dorrington Road Birmingham B42 1QR	
Company registration number	8049062	
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR	
Bankers	Lloyds Bank PLC 4th Floor 125 Colmore Row Birmingham B3 3SD	
Solicitors	Browne Jacobson Mowbray House, Castle Meadow Road Nottingham NG2 1BJ	

Trustees' report for the year ended 31 August 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 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.

The academy trust operates an academy for pupils aged 3 to 11, serving a catchment area in Perry Barr, Birmingham. It has a pupil capacity of 708 and had a roll of 643 in the school census on October 2022.

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 Dorrington Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as Dorrington Academy.

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

Members' liability

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

Trustees' indemnities

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 unlimited cover on any one claim. Dorrington Academy has opted into the ESFA's Risk Protection Arrangement (RPA).

Method of recruitment and appointment or election of Trustees

Parent trustees are elected by the parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when she/he is elected.

Community trustees may be appointed by the board of trustees provided that the person who is appointed as a community trustee is:

- a person who lives or works in the community served by the academy; or
- a person who, in the opinion of the board of trustees, is committed to the government and success of the academy.

Staff Trustees are elected by employees of the academy trust.

The above selection procedures are by advertisement of the post on Newsletter and Website, interested parties to collect application form and return with A4 reasons as to why they would make a good Trustee. These statements are available for the Community to read and a set date for voting is advertised. Voting takes place using a locked ballot box. The Ballot Box is unlocked by the Chair of Governors and the votes are counted by the Chair of Governors and the Community are informed of the results.

Policies and Procedures Adopted for the Induction and Training of Trustees

The board of trustees has a service level agreement with the trustee support department of Dorrington Academy to provide training, advice and support to the board of trustees.

Newly elected trustees attend induction training for new trustees, and in addition select specific training provided by trustee support in accordance with their needs.

One of the trustees is appointed as link trustee, attends relevant training and provides information to trustees following such training.

The deputy head teacher/vice principal is the leader for professional development in school, and he/she ensures that trustees are provided with opportunities to receive training in accordance with their role, and the school's training plan.

Organisational structure

The board of trustees has established committees and appoints trustees to serve on each of the committees annually. The committees for the period of the report were:

- Finance/Buildings
- Health & Safety
- Staffing
- Curriculum and Standards
- Exclusions
- Pay & Grading/Performance Management
- Child Protection/Safeguarding
- Head Teacher Performance Management
- Appeals
- Staff and Pupil Discipline
- Monitoring Groups linked to the Academy Development Plan

The written terms of reference of the committees include the monitoring of the preparation and management of the academy's budget and implementation of the academy's financial management policies, including risk assessment.

The board of trustees also appoints a responsible officer and this role has been fully implemented in accordance with the academy trust's financial procedures.

Decisions relating to Dorrington Academy are reserved for the board of trustees. Those responsibilities delegated to management include leadership and management for the school.

Arrangements for setting pay and remuneration of key management personnel

Dorrington Academy has an approved pay policy and performance management policy which it adheres to with regards to setting pay and remuneration. In addition to Governors, the Head Teacher also has an external assessment as part of her performance management.

Related parties and other Connected Charities and Organisations

Trustee's related parties and other connected charities and organisations are all documented on their pecuniary interest forms and these are reviewed to ensure sound and transparent governance. The Academy publishes its relevant business and pecuniary interest of Trustees on its website. The ESFA is advised of related parties where approval is required.

THE ACADEMY OVERARCHING PRIORITIES

Raising standards in Teaching and Learning
Priority areas for development

Catch-up Program
'Know More, Remember More' initiative
Embed EYFS curriculum
Embedding technology resources into curriculum
Continue to embed virtual learning provision for homework
Teacher Moderation
Enhanced Gifted and Talented provision
Continued embedding of reading skills and language development
National Tutoring Program and Recovery Schemes
Development of life skills including swimming

Improving the Learning Environment
Priority areas for development

New heating system installation
Development of purpose-built Art, life skills and DIY workshop
Re-development of hub area to include library and enhanced space for media and radio station
Security features added to existing technology hub
Development and adaptation to learning platform and potential swimming facilities
Adaptation of dining hall queueing area with roofed space

Effectiveness of Leadership and Management
Priority areas for development

Continuation of embedding the new management and finance systems
Incentive programme to assist overall pupil standards of achievement which includes academic, social, attendance and punctuality
Development of 'Know More, Remember More' initiative
Leadership succession
Effectiveness of Governing Body

2022/23 Year Group Priorities

Reception

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Further develop phonic language skills
- Higher focused intervention for the writing strand
- Further develop opportunities to ensure progress for FSM pupils

Year 1

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Raise the attainment of Disadvantaged pupils in Reading, Writing and Maths at the Expected level to close the gap with Non-Disadvantaged
-

Subject	Current Gap
Maths	19%
Reading	16%
Writing	19%

Year 2

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Raise the attainment of Boys in Reading, Writing and Maths at the Expected level to close the gap with Girls

Subject	Current Gap
Maths	17%
Reading	13%
Writing	20%

- Raise the attainment of Disadvantaged pupils in Reading, Writing and Maths at the Expected level to close the gap with Non-Disadvantaged

Subject	Current Gap
Maths	15%
Reading	15%
Writing	15%

Year 3

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Raise the attainment of Disadvantaged pupils in Maths at the Expected level to close the gap with Non-Disadvantaged (current gap 30%, target 10 children)
- Raise the attainment of Disadvantaged pupils in Writing at the Expected level to close the gap with Non-Disadvantaged (current gap 21%, target 7 children)
- Raise the attainment of Disadvantaged pupils in Reading at the Expected level to close the gap with Non-Disadvantaged (current gap 12%, target 4 children)

Year 4

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Raise the attainment of Boys in Reading and Writing at the Expected level to close the gap with Girls (current gap 12% in reading and 11% in writing)

Subject	Current Gap
Reading	12%
Writing	11%

- Increase the percentage of children attaining at the Exceeding level in Reading and Writing by 10%
- Raise the attainment of Girls in Maths at the Expected level to close the gap with boys (current gap 14%)

Year 5

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Increase the percentage of pupils in Reading, Writing and Maths attaining at the Expected level (current attainment Reading 63%, Writing 62% and Maths 64%)
- Increase the percentage of children in Writing and Maths attaining at the Exceeding level (current attainment Maths 8%, Writing 7%)

Year 6

- **Continue to ensure all groups make 100% progress**
- **Increase the percentage of children making more than 100% progress by 5%**
- Raise the attainment of Disadvantaged pupils in Reading at the Expected level to close the gap with Non-Disadvantaged (current gap 13%)
- Raise the attainment of Boys in Writing at the Expected level to close the gap with Girls (current gap 19%)
- Increase the percentage of pupils in reading and Writing attaining at the Exceeding level (current attainment Reading 10% and Writing 9%)

Public benefit

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

Dorrington Academy is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Strategic Report

Achievements and Performance

The Leadership and management conducted a full audit against the Academy's improvement plan. The outcomes were extremely positive against our overarching and specific priorities. Overall outcomes and strategic plans indicate that the Academy provides Outstanding provision (see Ofsted report below. We were the first primary school in the country to get Outstanding against the new framework in November 2019).

Overall effectiveness:	**Outstanding**
The quality of education:	**Outstanding**
Behaviour and attitudes:	**Outstanding**
Personal development:	**Outstanding**
Leadership and management:	**Outstanding**
Early years provision:	**Outstanding**

What is it like to attend this school?

This is an excellent school that pupils love coming to. They read, write and do mathematics every day and by the time they leave, they reach very high standards in these subjects. Alongside these, many other subjects take place. All subjects are planned so pupils learn the right things, in the right order and at the right time. Leaders have very high expectations that pupils will achieve well. They prepare pupils for life in modern Britain. Lessons provide pupils with practical activities that develop their skills across a wide range of subjects. For example, within the school day, pupils learn how to rock climb using the school's indoor climbing wall. They make pizza in the school's outdoor pizza oven and take part in yoga in the school's yoga studio. Staff work very hard and teach pupils exceptionally well. They promote positive attitudes. Pupils get on very well with adults and with each other. As a result, behaviour is excellent. Bullying is rare, but if it happens, adults help stop it. The school puts the mental health and well-being of its staff and pupils first. The school is a calm, welcoming place for all.

What does the school do well and what does it need to do better?

Leaders ensure that the school provides an excellent standard of education for pupils. Leaders' drive and passion are clear to see. New staff receive the right amount of support and say that their workload is manageable. Teachers ensure that activities engage and excite pupils. Learning builds on pupils' previous learning in all subjects. Children in the Nursery and Reception classes make a superb start. Leaders and staff in early years know the children well. There is a sharp focus on developing children's speaking and listening skills. Children can learn inside and outside the classroom. Children are eager to learn and are kind to each other. The teaching of reading starts from the moment pupils join the school. Well-trained staff teach phonics daily. The teaching of reading and other subjects is precise and accurate. Phonics sessions take place in small ability groups and are stimulating and fun. Pupils read often, both at home and at school. They talk with enthusiasm about their favourite books and authors and have a love of reading. Pupils who have special educational needs and/or disabilities (SEND) take part in all activities. The special educational needs coordinator has an effective oversight of individual pupils' needs and ensures that these are met. Disadvantaged pupils' needs are well met. They often make better progress than their peers. Inspection report: Dorrington Academy 6–7 November 2019 3 Pupils have many opportunities to think deeply and to develop their confidence. This is the case in all subjects. Pupils' work in books is neat. They take a pride in all they do. Effective assessment identifies what pupils need help with. Extra support for pupils who need it, including disadvantaged pupils, ensures that they keep up and catch up with their peers. The most able children also receive the care and attention they need. Whatever a pupil's background or abilities, they make excellent progress in their learning. The school environment is attractive, well organised and full of resources. Pupils are happy to talk about their work that is on display and in their books. They use a wide range of vocabulary to describe their learning to inspectors. Links between subjects enhance learning. Cooking lessons reinforce learning in science when heating, melting and cooling ingredients. A range of visits bring learning to life. Year 6 pupils visit a local regimental museum, as part of their learning in history. Pupils' behaviour is exemplary both in lessons and as they move around school. Pupils are polite and well mannered. A rewards system encourages pupils to be kind and helpful and to treat each other with respect. Pupils have lots of opportunities to learn about the beliefs and cultures of others. They undertake charity work and get involved with the local community. Pupils report that 'everyone has a voice'. This is a school where pupils respect each other, their talents are nurtured, and all pupils thrive. Leaders' ambition to create an inclusive community school is now a reality. Pupils make exceptional progress in most subjects. This ensures that they are ready for secondary school when they leave.

Safeguarding

The arrangements for safeguarding are effective. All staff know that safeguarding pupils is very important. Leaders train staff so they know what to do if they have concerns about a pupil's well-being or safety. A high proportion of staff are first-aid trained. Leaders and governors understand vulnerable pupils' needs. They support pupils that are under the care of social services in a sensitive way. Leaders check that staff are suitable before they begin work at the school. Staff teach pupils to look after themselves in a range of situations. Pupils are knowledgeable about how to keep themselves safe when using the internet and knew whom they could talk to if they were worried about anything.

Key Performance Indicators

Dorrington Academy - Headline Results 2021-22

Key Stage 2 Test Results 2021-22

	DA (18/19)	Nat	LA 18/19
GPS Expected+	91% (94)	72%	78%
GPS Exceeding	54% (55)		40%
Writing Expected+	90% (83)	69%	73%
Writing Exceeding+	21% (28)		16%
Maths Expected+	89% (92)	71%	76%
Maths Exceeding+	33% (31)		26%
Reading Expected+	83% (74)	74%	69%
Reading Exceeding+	34% (23)		24%
Expected in RWM	78% (73)	59%	61%
Exceeding in RWM	(15)		9%

Key Stage 2 Progress

	2017/18	2018/19	Difference
Reading	+0.15	+1.6	+1.45
Writing	+2.7	+3.8	+1.1
Maths	+2.2	+4.0	+1.8

Key Stage 1 Results 2021-22

	DA (18/19)	Nat 18/19	LA 18/19
Reading Expected+	72% (78)	75%	72%
Reading Exceeding+	16% (21)	25%	20%
Writing Expected+	72% (81)	69%	67%
Writing Exceeding+	14% (19)	15%	12%
Maths Expected+	70% (82)	76%	73%
Maths Exceeding+	16% (22)	22%	19%
RWM Expected+	63% (75)	65%	63%
RWM Exceeding+	10% (11)	11%	9%

Strengths

- KS2 Writing Exp+ (+21% on National)
- KS2 GPS Exp+ (+19% on National)
- KS2 Maths Exp+ (+18% on National)
- KS2 Reading Exp+ (+9% on National)
- KS2 RWM Exp+ (+19% on National)
- Yr1 Phonics Pass 86% (+4% on 2018-19 National)
- Yr2 Cumulative Pass 98% (+6% on 2018-19 National)

Areas for Development

- KS1 – Further raise attainment at the Expected level
- KS2 – Further raise attainment at the Exceeding in RWM

EYFS - GLD

DA	National	LA
71% (76)	72%	68%

Phonics Screening Results 2018-19

	DA (18/19)	Nat (18/19)	LA (18/19)
Year 1	86% (85)	82%	81%
Year 2 Cumulative	98% (97)	92%	90%

- Direct costs as a percentage of total costs were 64.7% (2021 : 66.6%)
- Support costs as a percentage of total costs were 35.3% (2021 : 33.4%)
- Total payroll costs as a percentage of recurring income were 79.8% (2021 : 83.7%)

Going concern

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

Financial Review

The financial results of Dorrington Academy are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Academy Trust Handbook published by the ESFA and requirements as laid down by the Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the Academy.

During the year ended 31 August 2022 total resources expended were £3,498,895 and the surplus of income over expenditure was £186,491 which included depreciation of £229,936.

Reserves Policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The academy had total funds at 31 August 2022 of £6,587,341 which included £179,416 restricted funds not available for general purposes of the academy trust, £29,705 of free reserves defined as unrestricted funds available for general purposes and £7,180,220 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £209,121.

In addition, the deficit on the restricted pension fund of £802,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary. This will result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years.

Investment Policy

Surplus funds are held with Lloyds Bank plc.

Principal Risks and Uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focused on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

The trustees looked after the wellbeing of all staff and children efficiently and effectively, financially there has been no negative impact affecting the Academy during the uncertain time of Covid-19. Any threat to the Academy's financial and operational strategies at the onset of Covid-19 were alleviated by careful strategic planning and any potential threats were turned into a positive opportunity to benefit the community.

The trustees have strategically planned for the economic climate and increase in prices and the fluctuation regarding inflation, especially concerning the gas and electric costs. The Academy has made allowances for the dramatic increase in utility bills. A robust financial plan is in place and ample reserves to meet any additional increases regarding energy and further unexpected increases.

To conclude,

- Trustees continue with robust plans to ensure all children catch up due to Covid-19.
- Grants have been used appropriately to extend high standards of provision.
- Robust financial plans are strategically in place for increases in energy and potential recession.

Fundraising

Throughout the academic year, we have small community charity days to support Children in Need, Jeans for Genes, MacMillan, Breast Cancer. Children are asked to donate if they can afford. This income is then sent to the appropriate organisation and we receive a receipt of acknowledgement.

Plans for Future Periods

Covid-19 has presented many challenges in the past, now and in the future which we are incorporating into our strategic plan to ensure the Academy maintains our outstanding status and maximises opportunities for all children.

In addition to the challenges of Covid-19, the trustees have prepared to still be progressive in the current economic climate. Effective, strategic leadership and management has enabled the Academy to embark on a progressive technology curriculum and infrastructure that is future proof for children, staff and community.

Our 5 year budget forecast continues to be extremely strong due to effective planning, negotiations to get best value to maximise resources.

Effective redeployment and management systems have enabled financial savings which has been reinvested for capital expansion projects and resources.

Plans for Future Periods (continued)

Recruitment of ECTs and implementing our own training program has enabled high standards of teaching and learning and an increased capacity for small group teaching, which ultimately continues to improve standards of achievement.

We aim to continue to advance in technology provision, wellbeing linked to the curriculum and employing even more staff to take to capacity within our facilities very small group teaching whole school.

As the first Academy to get Outstanding status against the new framework in November 2019, we continue to strive forward to be increasingly progressive.

We are using our investment in technology to increase independent learning and assessment of children's achievement. We have created the technology hub and now the hub will have a state-of-the-art library, radio station room, the very latest in VR and computer software. Alongside this development, senior leaders are developing opportunities for each child to have their own file on all aspects taught during their time at the Academy. They will have opportunities in the hub to access their files, test themselves against previous learning, improve recall skills and extend their learning by independent research through all the latest technology and library facilities in this high specification progressive unit.

To enhance children's ability to swim, we have facilitated the environment to accommodate a swimming pool for the pupils and its community. In the first instance, the pool will be on site for a term with the possibility of developing the provision throughout the year.

The trustees are very keen to give young adults the chance to learn new skills and we are presently employing apprentices between 16-18 years old. This initiative again will increase capacity for small group teaching and opportunities for further activities. In addition, the trustees are giving back to the community by opening the door for young people to increase their skill set.

We have clearly set out our overall objectives above. After our Outstanding Ofsted report, the Academy will continue to strive to be continually outstanding. Our priority is to maximise the effectiveness and efficiency of our resources to sustain our level of staffing which is fundamental to us if we are to maintain our highly effective Academy; in particular by maintaining small intervention teaching groups across the entire Academy.

Our vision is to continue to have a dynamic learning environment where children thrive. Our standards of achievement continue to thrive as we embed many initiatives. We have shared so many of our initiatives and practices with other academies and schools across the country and they have made a positive difference to pupil outcomes.

Having completed our playgrounds, extended our learning opportunities and implemented new finance and management systems and technology, we are now replacing the heating system to ensure the learning environment is energy saving for the future. Trustees robustly, strategically plan effective use of resources, hence continually bidding for a heating grant and finally being successful will enable further progression for higher standards of teaching and learning for all the community.

After 14 years of our commitment to progressive standards for all, the provision we offer has been designed and developed to the highest standards at the most cost-effective price.

In addition to Ofsted's comments such as 'blows people away', we have many visitors from all over the country coming to Dorrington Academy for ideas and training.

We continue to be proud of how the Academy has used the skills and experience of Leadership and Management to create a progressive learning environment for all. There is no complacency.

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Trustees' report for the year ended 31 August 2022 (continued)

Plans for Future Periods (continued)

High standards of training throughout the Academy are thriving to enable leadership succession and the extension of our skill base.

The Academy, Ofsted and external organisations believe Dorrington Academy is far advanced with many initiatives and effective resources which enhance children's learning. Since our Ofsted report, we are continually trying to support other schools and academies locally and nationally. Our vision is to continue to get value for money to enable us to provide the most outstanding provision for pupils and outstanding work environment for staff.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held on behalf of others.

Auditor

Insofar as the Trustees are aware :

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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 13/12/22 and signed on the board's behalf by:

.... J Hemmings - Chair of Trustees

Dorrington Academy Trust
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Governance statement for the year ended 31 August 2022

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Dorrington Academy 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 Principal, 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 Dorrington Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows :

Trustee	Meetings attended	Out of a possible
Miss Loretta Barratt (Head Teacher & Accounting Officer)	4	5
Ms Janet Hamilton-White (Community Trustee)	5	5
Mr John Hemmings (Community Trustee & Chair Person)	5	5
Mr Keith Hyem (Community Trustee and Vice Chair Person	5	5
Mr Fayaz Khuhro (Community Trustee)	5	5
Miss Jo Nightingale (Community Trustee)	4	5
Mrs Stephanie Ogidih (Parent Trustee)	4	5
Mrs Carol Shotton (Community Trustee)	5	5
Mrs Lynne Cosnett (Staff Trustee)	5	5
Mr John Harrison (Staff Trustee)	5	5
Mrs Jan Shrigley (Staff Trustee)	0	1

Mrs Shrigley left the governing body October 2021. Trust is compliant with only a third of trustees staff. A review of governance was undertaken during the year which found that the Trustees continue to make an outstanding contribution to the continued success of the Academy. The level of skills, experience and knowledge held by Trustees is considerable and allows for excellent support to the Academy

Conflicts of interest

Business interests are declared at each meeting of Trustees to ensure full disclosure, if applicable, before meetings start and any related party transactions are rigorously discussed before being approved. Trustees will sort ESFA approval for transactions they interpret as required.

Dorrington Academy Trust
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Governance statement for the year ended 31 August 2022 (continued)

Governance review

A review of governance was undertaken during the year which found that the Trustees continue to make an outstanding contribution to the continued success of the Academy. The level of skills, experience and knowledge held by Trustees is considerable and allows for excellent support to the Academy

Subsequent to this the following actions were taken :

- The number of Staff Trustees remain at a lower level thus allowing for greater independence to the board of trustees.

- Chair of Governors implemented a rota of learning walks at the academy for all Trustees

- Chair of Governors continues to lead on up to date training on any areas of Governance throughout the year.

The trust intends to conduct its next self-evaluation/external review in July 2022, however a day to day evaluation is continually made by the board of trustees.

The **finance and general purposes committee** is a sub-committee of the main board of trustees. Its purpose is to ensure sound financial management within the Academy and to ensure buildings remain fit for purpose.

Trustee	Meetings attended	Out of a possible
Miss Loretta Barratt (Head Teacher and Accounting Officer	5	5
Mr John Hemmings (Chair Person of full Trustees)	5	5
Mr Keith Hyem (Chair Person of Finance)	5	5
Mr Fayaz Khuhro (Community Trustee)	4	5
Mr John Harrison (Staff Trustee)	5	5

Review of value for money

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

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

- By reviewing, streamlining staff and redeploying where we could enhance value for money. Appointing new staff to ensure we focused on changing demands, technologies and provision of opportunities to enhance the excellent Ofsted report, small intervention teaching groups across the whole Academy for all abilities and new finance/management systems/pay online systems.

- Maximising efficiency and effectiveness of our learning environment to ensure excellent conditions for pupil learning and staff well-being.

- Ensuring directed use of Pupil Premium to ensure disadvantaged pupils make strong Academic Progress as reflected in the excellent Ofsted report and progress reports for all children

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the academy trust's 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 Dorrington Academy for the period from 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period from 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.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Nigel Smith of drb Schools and Academies Limited to complete internal control reports.

His role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control accounts / bank reconciliations

On a termly/quarterly basis, the Internal Control reports go to the board of trustees, through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Last review undertaken June 2021 and findings presented to Accounting Officer and subsequently to Finance and Buildings Committee.

Governance statement for the year ended 31 August 2022 (continued)

Review taken of External Suppliers and service providers, Funding reconciliations, Other Income, Salaries, bank account reconciliations

Review of Effectiveness

As accounting officer, L Barratt (the principal) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal reviewer
- the work of the external auditor;
- the financial management and governance self-assessment process of the school resource management self-assessment tool;
- 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 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 13/12/22 and signed on its behalf by:

J Hemmings	L Barratt
Chair of Trustees	Accounting Officer

Statement of regularity, propriety and compliance for the period ended 31 August 2022

As accounting officer of Dorrington Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Trust Handbook 2021.

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

.... L Barratt – Accounting Officer

Date : 13/12/2022

Dorrington Academy Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
for the period ended 31 August 2022

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 ....13/12/22........ and signed on its behalf by:

.... J Hemmings – Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of Dorrington Academy Trust

Opinion

We have audited the financial statements of Dorrington Academy Trust for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements :

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the period 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, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency

Basis for opinion

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

Conclusions relating to going concern

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 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 Dorrington Academy Trust
(continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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
- 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.

Independent Auditor's Report on the Financial Statements to the Members of Dorrington Academy Trust (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 18], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the academy's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the academy's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Independent Auditor's Report on the Financial Statements to the Members of Dorrington Academy Trust

(continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 charitable company'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.

Feltons

David W Farnsworth FCA (Senior Statutory Auditor)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

Date : 20 December 2022

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

In accordance with the terms of our engagement letter dated 30 March 2021 and further to the requirements of the Education and 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 Dorrington 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 Dorrington Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Dorrington 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 Dorrington Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Dorrington Academy Trust's funding agreement with the Secretary of State for Education dated .1 June 2012 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.

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the academy trust's funding agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Independent Reporting Accountant's Assurance Report on Regularity to Dorrington Academy Trust and the Education and Skills Funding Agency (continued)

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.

Feltons

David W Farnsworth FCA (Reporting Accountant)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

Date : 20 December 2022

Statement of financial activities for the year ended 31 August 2022 (including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2021/22 £	Total 2020/21 £
Income from :							
Donations and capital grants	2	-	-	-	360,120	360,120	38,274
Charitable activities :	3						
Funding for the academy trust's educational operations		47,090	-	3,278,118	-	3,325,208	3,211,029
Investments	4	58	-	-	-	58	55
Total		47,148	-	3,278,118	360,120	3,685,386	3,249,358
Expenditure on :							
Charitable activities:							
Academy trust educational operations	5	47,148	202,000	3,019,811	229,936	3,498,895	3,497,189
Total		47,148	202,000	3,019,811	229,936	3,498,895	3,497,189
Net income/(expenditure) before transfers		-	(202,000)	258,307	130,184	186,491	(247,831)
Transfers between funds	13	-	-	(203,165)	203,165	-	-
Net income/(expenditure) after transfers		-	(202,000)	55,142	333,349	186,491	(247,831)
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	13, 23	-	2,645,000	-	-	2,645,000	(233,000)
Net movement in funds		-	2,443,000	55,142	333,349	2,831,491	(480,831)
Reconciliation of funds							
Total funds brought forward	13	29,705	(3,245,000)	124,274	6,846,871	3,755,850	4,236,681
Total funds carried forward		29,705	(802,000)	179,416	7,180,220	6,587,341	3,755,850

All of the Academy's activities derive from continuing operations during the above two financial periods.

Dorrington Academy Trust
(A Company Limited by Guarantee)

Company number : 08049062
Balance sheet as at 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		6,831,082		6,846,871
Current assets					
Debtors	11	84,703		76,596	
Cash at bank and in hand		1,402,159		431,108	
		1,486,862		507,704	
Liabilities					
Creditors: amounts falling due within one year	12	928,603		353,725	
Net current assets			558,259		153,979
Net assets excluding pension liability			7,389,341		7,000,850
Defined benefit pension scheme liability	23		(802,000)		(3,245,000)
Total net assets			6,587,341		3,755,850
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	13	7,180,220		6,846,871	
Restricted income fund	13	179,416		124,274	
Pension reserve	13	(802,000)		(3,245,000)	
Total restricted funds			6,557,636		3,726,145
Unrestricted income funds	13		29,705		29,705
Total funds			6,587,341		3,755,850

The financial statements on pages 25 to 46 were approved by the trustees, and authorised for issue on 13/12/22 and are signed on their behalf by:

.... J Hemmings - Chair of Trustees

Dorrington Academy Trust
(A Company Limited by Guarantee)

Statement of cash flows for the year ended 31 August 2022

	Notes	2021/22 £	2020/21 £
Cash flows from operating activities			
Net cash provided by operating activities	18	825,020	333,211
Cash flows from investing activities	19	146,031	(336,629)
Change in cash and cash equivalents in the reporting period		971,051	(3,418)
Cash and cash equivalents at 1 September 2021		431,108	434,526
Cash and cash equivalents at 31 August 2022	20	1,402,159	431,108

1. Accounting policies

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

1.1 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.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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.

1.3 Income

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

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

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

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

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

1. Accounting policies (continued)

1.3 Income (continued)

- **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 'Stocks' 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.

1.4 Expenditure

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.5 Tangible fixed assets

Assets costing £500 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 and assets under construction, at rates calculated to write off the cost of each asset over its expected useful life as follows:

Long leasehold buildings	- straight line over 50 years
Furniture and equipment	- 25% reducing balance
Computer hardware	- 20% straight line

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

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

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 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.

1. Accounting policies (continued)

1.9 Leased assets

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

1.10 Financial instruments

The academy trust only holds basic financial instruments as defined by 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. 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. 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.

1.11 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.

1.12 Pension benefits

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

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

1. Accounting policies (continued)

1.12 Pension benefits (continued)

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.

1.13 Fund accounting

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

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

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

1.14 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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	-	360,120	360,120	10,974
Donated fixed assets	-	-	-	-	27,300
	-	-	360,120	360,120	38,274
2021 total	-	-	38,274	38,274	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
DfE/ESFA grants					
General Annual Grant (GAG)	-	2,655,785	-	2,655,785	2,484,825
Other DfE Group grants					
UIFSM	-	83,502	-	83,502	67,580
Pupil premium	-	286,081	-	286,081	269,112
Teachers pension	-	2,163	-	2,163	85,739
Teachers pay	-	6,112	-	6,112	30,344
Others	-	87,675	-	87,675	35,520
	-	3,121,318	-	3,121,318	2,973,120
Other government grants					
Local authority grants	-	125,734	-	125,734	147,342
	-	125,734	-	125,734	147,342
Other income from the academy trust's educational operations	47,090	-	-	47,090	41,443
Covid-19 additional funding (DfE/ESFA)					
Recovery/Catch-up premium	-	31,066	-	31,066	48,320
Covid-19 additional funding (non DfE/ESFA)					
Other Covid-19 funding	-	-	-	-	804
	47,090	156,800	-	203,890	237,909
	47,090	3,278,118	-	3,325,208	3,211,029
2021 total	41,443	3,169,586	-	3,211,029	

4. Investment income

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	58	-	58	55
2021 total	55	-	55	

5. Expenditure

	Staff costs £	Non pay expenditure Premises £	Other £	2021/22 Total £	2020/21 Total £
Academy's educational operations					
Direct costs	2,104,051	-	161,203	2,265,254	2,328,535
Allocated support costs	550,732	334,944	347,965	1,233,641	1,168,654
	2,654,783	334,944	509,168	3,498,895	3,497,189
2021 total	2,695,272	387,484	414,433	3,497,189	

Net income/(expenditure) for the period includes :

		2021/22 £	2020/21 £
Operating leases	- plant and machinery	3,012	1,506
Depreciation		229,936	213,223
Fees payable to auditor	- audit	8,150	7,900
	- other services	-	750

6. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2021/22 Total £	2020/21 Total £
Educational operations					
Direct costs					
Educational operations	10,456	-	2,254,798	2,265,254	2,328,535
Support costs					
Educational operations	36,692	202,000	994,949	1,233,641	1,168,654
	47,148	202,000	3,249,747	3,498,895	3,497,189
2021 total	41,498	177,000	3,278,691	3,497,189	

6. Charitable activities (continued)

	Educational operations £	2021/22 Total £	2020/21 Total £
Analysis of support costs			
Support staff costs	550,732	550,732	568,418
Depreciation	229,936	229,936	91,708
Technology costs	58,791	58,791	44,925
Premises costs	108,020	108,020	175,767
Legal services - other	8,368	8,368	39,347
Other support costs	266,596	266,596	238,884
Governance costs	11,198	11,198	9,605
Total support costs	1,233,641	1,233,641	1,168,654
2021 total	1,168,654	1,168,654	

7. Staff

a) Staff costs

Staff costs during the period were:

	2021/22 £	2020/21 £
Wages and salaries	1,804,537	1,871,581
Social security costs	175,324	165,294
Pension costs	669,803	658,397
	2,649,664	2,695,272
Agency staff costs	5,119	-
	2,654,783	2,695,272

b) Staff numbers

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

	2021/22 Number	2020/21 Number
Teachers	43	28
Administration and support	37	58
Management	4	7
	84	93

c) Higher paid staff

	2021/22 Number	2020/21 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£60,001 - £70,000	3	2
£110,001 - £120,000	1	1

7. Staff (continued)

d) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £546,032 (2021: £616,514).

8. Related Party Transactions - Trustees' remuneration and expenses

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

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

L Barratt (headteacher and trustee)	
Remuneration	£115,000 - £120,000 (2021 : £115,000 - £120,000)
Employer's pension contributions paid	£25,000 - £30,0000 (2021 : £25,000 - £30,000)
J Harrison	
Remuneration	£65,000 - £70,000 (2021 : £65,000 - £70,000)
Employer's pension contributions paid	£15,000 - £20,000 (2021 : £15,000 - £20,000)
J Shrigley (staff trustee resigned 2/11/21)	
Remuneration	£0 (2021 : £35,000- £40,000)
Employer's pension contributions paid	£0 (2021 : £5,000 - £10,000)
L Cosnett (staff trustee)	
Remuneration	£5,000 - £10,000 (2021 : £5,000 - £10,000)
Employer's pension contributions paid	£0 - £5,000 (2021 : £0 - £5,000)

During the year ended 31 August 2022, travel and subsistence expenses totalling £480 (2021 : £937) were reimbursed or paid directly to 2 trustees (2021 : 2).

Other related party transactions involving the trustees are set out in note 24.

9. Trustees' and officers' insurance

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

10. Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Total £
Cost or valuation				
At 1 September 2021	7,772,189	569,513	261,692	8,603,394
Additions	79,700	60,604	73,843	214,147
At 31 August 2022	7,851,889	630,117	335,535	8,817,541
Depreciation				
At 1 September 2021	1,193,731	336,273	226,519	1,756,523
Charge for the year	157,040	47,218	25,678	229,936
At 31 August 2022	1,350,771	383,491	252,197	1,986,459
Net book values				
At 31 August 2022	6,501,118	246,626	83,338	6,831,082
At 31 August 2021	6,578,458	233,240	35,173	6,846,871

11. Debtors

	2022 £	2021 £
Debtors from operations	200	-
VAT recoverable	17,421	25,102
Prepayments and accrued income	67,082	51,494
	84,703	76,596

12. Creditors

Amounts falling due within one year :	2022	2021
Creditors from operations	14,817	-
Accruals and deferred income	116,266	154,877
Other creditors	797,520	198,848
	928,603	353,725

Included in other creditors are amounts of £797,520 due to Birmingham City Council for payroll costs which they have not drawn down and the trust held sufficient funds for the payment of these creditors. These were paid after the year end.

12. Creditors (continued)

Deferred income

Deferred income at 1 September 2021	39,422	42,793
Resources deferred in the year	49,550	39,422
Amounts released from previous years	(39,422)	(42,793)
Deferred income at 31 August 2022	49,550	39,422

At the balance sheet date the academy trust was holding funds received in advance for universal infant free school meals.

13. Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	124,274	2,655,785	(2,397,478)	(203,165)	179,416
UIFSM	-	83,502	(83,502)	-	-
Pupil premium	-	286,081	(286,081)	-	-
Recovery/Catch-up premium	-	31,066	(31,066)	-	-
Other grants	-	221,684	(221,684)	-	-
	124,274	3,278,118	(3,019,811)	(203,165)	179,416
Restricted fixed asset funds					
Transfer on conversion	4,162,965	-	(104,871)	-	4,058,094
DfE Group capital grants	73,468	360,120	(2,522)	-	431,066
Capital expenditure from GAG	2,537,726	-	(119,405)	203,165	2,621,486
Capital expenditure from Catch-up premium	46,462	-	(2,005)	-	44,457
Donations	26,250	-	(1,133)	-	25,117
	6,846,871	360,120	(229,936)	203,165	7,180,220
Pension reserve	(3,245,000)	-	(202,000)	2,645,000	(802,000)
Total restricted funds	3,726,145	3,638,238	(3,451,747)	2,645,000	6,557,636
Unrestricted funds					
Other income	29,705	47,148	(47,148)	-	29,705
Total unrestricted funds	29,705	47,148	(47,148)	-	29,705
Total funds	3,755,850	3,685,386	(3,498,895)	2,645,000	6,587,341

13. Funds (continued)

The academy trust is not subject to GAG carried forward limits.

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

Restricted general funds
These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

Unrestricted funds
These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds
These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency and Birmingham City Council where the asset acquired or created is held for a specific purpose.

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	356,840	2,484,825	(2,429,027)	(288,364)	124,274
UIFSM	-	67,580	(67,580)	-	-
Pupil premium	-	269,112	(269,112)	-	-
Recovery/Catch-up premium	-	48,320	-	(48,320)	-
Other Covid-19 funding	-	804	(804)	-	-
Other grants	-	298,945	(298,945)	-	-
	356,840	3,169,586	(3,065,468)	(336,684)	124,274
Restricted fixed asset funds					
Transfer on conversion	4,268,838	-	(105,873)	-	4,162,965
DfE Group capital grants	64,393	10,974	(1,899)	-	73,468
Capital expenditure from GAG	2,351,905	-	(102,543)	288,364	2,537,726
Capital expenditure from Catch-up premium	-	-	(1,858)	48,320	46,462
Donations	-	27,300	(1,050)	-	26,250
	6,685,136	38,274	(213,223)	336,684	6,846,871
Pension reserve	(2,835,000)	-	(177,000)	(233,000)	(3,245,000)
Total restricted funds	4,206,976	3,207,860	(3,455,691)	(233,000)	3,726,145
Unrestricted funds					
Other income	29,705	41,498	(41,498)	-	29,705
Total unrestricted funds	29,705	41,498	(41,498)	-	29,705
Total funds	4,236,681	3,249,358	(3,497,189)	(233,000)	3,755,850

14. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	6,831,082	6,831,082
Current assets	29,705	-	1,108,019	349,138	1,486,862
Current liabilities	-	-	(928,603)	-	(928,603)
	29,705	-	179,416	7,180,220	7,389,341
Pension scheme liability	-	(802,000)	-	-	(802,000)
Total net assets	29,705	(802,000)	179,416	7,180,220	6,587,341

Comparative information in respect of the preceding period is as follows :	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	6,846,871	6,846,871
Current assets	29,705	-	477,999	-	507,704
Current liabilities	-	-	(353,725)	-	(353,725)
	29,705	-	124,274	6,846,871	7,000,850
Pension scheme liability	-	(3,245,000)	-	-	(3,245,000)
Total net assets	29,705	(3,245,000)	124,274	6,846,871	3,755,850

15. Contingent liability

Following the recent decision in the Harpur Trust vs Brazel case the trust is considering the potential liability in respect of this. At this time it is not possible to quantify the liability, if any, and no provision has been made in these accounts.

16. Capital commitments

	2022	2021
	£	£
Contracted for but not provided in the financial statements	349,000	-

17. Commitments under operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:	Total 2022	Total 2021
	£	£
Amounts due within one year	3,012	3,012
Amounts due between one and five years	1,500	4,512
	4,512	7,524

18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021/22 Total £	2020/21 Total £
Net income/(expenditure) for reporting period (as per the SoFA)	186,491	(247,831)
Adjusted for :		
Depreciation (note 10)	229,936	213,223
Capital grants from DfE and other capital income	(360,120)	(10,974)
Donated fixed assets	-	(27,300)
Interest receivable (note 4)	(58)	(55)
Defined benefit pension scheme cost less contributions payable (note 23)	147,000	133,000
Defined benefit pension scheme finance cost (note 23)	55,000	44,000
Increase in debtors	(8,107)	(5,016)
Increase in creditors	574,878	234,164
Net cash provided by operating activities	825,020	333,211

19. Cash flows from investing activities

	2021/22 Total £	2020/21 Total £
Interest received	58	55
Purchase of tangible fixed assets	(214,147)	(347,658)
Capital grants from DfE Group	360,120	10,974
Net cash provided by / (used in) investing activities	146,031	(336,629)

20. Analysis of cash and cash equivalents

	At 31 August 2022 £	At 31 August 2021 £
Cash at bank and in hand	1,402,159	431,108
	1,402,159	431,108

21. Analysis of changes in net debt

	At 31 August 2021 £	Cash flows £	Other non-cash changes £	At 31 August 2022 £
Cash at bank and in hand	431,108	971,051	-	1,402,159
	431,108	971,051	-	1,402,159

22. 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.

23. 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 West Midlands Pension Fund. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £45,800 (2021 : £45,784) were payable to the schemes at 31 August 2022 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 academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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 four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are :

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer 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 rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

23. Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The next valuation is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £297,438 (2021 : £296,160).

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 £200,000 (2021 : £226,000), of which employer's contributions totalled £170,000 (2021 : £190,000) and employees' contributions totalled £30,000 (2021 : £36,000). The agreed contribution rates for future years are 22.0% for employers and between 5.5% and 6.5% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 25 years.

Principal actuarial assumptions	**At 31 August 2022**	**At 31 August 2021**
Rate of increase in salaries	4.05%	3.90%
Rate of increase for pensions in payment / inflation	3.05%	2.90%
Discount rate for scheme liabilities	4.25%	1.65%
Inflation assumption (CPI)	3.05%	2.90%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis	**At 31 August 2022 £'000s**	**At 31 August 2021 £'000s**
Discount rate +0.1%	(84)	(152)
Discount rate -0.1%	84	156
Mortality assumption 1 year increase	160	278
Mortality assumption 1 year decrease	(160)	(267)
CPI rate +0.1%	74	138
CPI rate -0.1%	(74)	(135)

23. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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
Retiring today		
Males	21.2	21.6
Females	23.6	24.0
Retiring in 20 years		
Males	22.9	23.4
Females	25.4	25.8

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

	31 August 2022 £	31 August 2021 £
Equities	2,137,000	1,909,000
Bonds	670,000	451,000
Property	255,000	220,000
Cash and other liquid assets	128,000	115,000
Other	-	439,000
Total market value of assets	3,190,000	3,134,000

The actual negative return on scheme assets was 3.3% (2021 : £457,000 positive).

	2021/22 £	2020/21 £
Amount recognised in the statement of financial activities		
Current service cost	317,000	323,000
Interest income	(53,000)	(41,000)
Interest cost	108,000	85,000
Total amount recognised in the SoFA	372,000	367,000

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

	2021/22 £	2020/21 £
At 1 September 2021	6,379,000	5,332,000
Current service cost	317,000	323,000
Interest cost	108,000	85,000
Employee contributions	30,000	36,000
Actuarial gains/(losses) - financial assumptions	(2,783,000)	819,000
Actuarial gains/(losses) - demographic assumptions	(21,000)	(80,000)
Actuarial gains/(losses) - experience gains/losses	9,000	(90,000)
Benefits paid	(47,000)	(46,000)
At 31 August 2022	3,992,000	6,379,000

23. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2021/22	2020/21
	£	£
At 1 September 2021	3,134,000	2,497,000
Interest income	53,000	41,000
Return on assets less interest	(150,000)	416,000
Employer contributions	170,000	190,000
Employee contributions	30,000	36,000
Benefits paid net of transfers in	(47,000)	(46,000)
At 31 August 2022	3,190,000	3,134,000
Net pension scheme liability	(802,000)	(3,245,000)

24. Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

The following related party transaction(s) took place during the period:

Expenditure related party transaction

Miss L Barratt

Headteacher and accounting officer	2022	2021
	£	£
Consultancy services provided to the academy during the year	7,500	5,500

Mr D Shrigley

Husband of Mrs J Shrigley, a staff trustee (resigned 2/11/21)	2022	2021
	£	£
Services provided to the academy during the year	-	44,311

The trust conducted these transactions at arm's length and they were approved by the Governing Body.

24. Related party transactions (continued)

All of the above services have been provided at no more than cost and each related party has provided a statement of assurance confirming this.

All transactions involving such organisations are conducted in accordance with the requirements of the Academies 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.