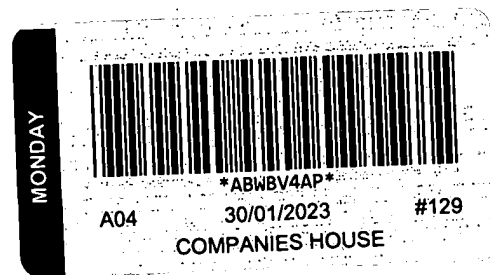


Equitas Academies Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number
07662289 (England and Wales)



Feltons
Chartered Accountants

Birmingham
B1 3JR

Equitas Academies Trust
(A Company Limited by Guarantee)

Report and Financial Statements
Year ended 31 August 2022

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Equitas Academies Trust
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Reference and Administrative Details

Members	Mr Wadim Wesolek Mr David Jones Mr Phil Godwin Ms Kate Mulleady Mr Simon Spencer
Trustees	Mr Wadim Wesolek (Chair) Mr Simon Harris (Vice Chair) Ms Adain Bailey Mr Roland Barrett-Price Mr Michael Bartley (Appointed 12.03.2022) Ms Jane Gotschel (Appointed 27.09.2021) Ms Jayne Hackett (Resigned 08.09.2022) Mr Herville Hector Mr Connor Hickey Ms Karen Malcom (Appointed 27.09.2021) Mr Simon Spencer (Resigned 27.09.2022) Ms Nadia Talukder Appointed 28.3.2022)
Company secretary	Sharon Elliott (Resigned 01.04.2022) Amarjit Summan-Ram (Appointed 01.04.2022)
Senior management team <ul style="list-style-type: none">Chief Executive OfficerHeadteacherHeadteacherChief Financial Officer	Alexandra Lofthouse Jill Sweeney Nanette Wragg Amarjit Summan-Ram
Company name	Equitas Academies Trust
Principal and registered office (<i>This means principal in the sense of main address and not as in head.</i>)	Aston Manor Academy, Phillips Street, Birmingham, B6 4PZ
Company registration number	07662289
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank 3260- Commercial Client Serving Team (SME) 2 Bankhead Crossway North Edinburgh EH11 4DT
Solicitors	Brown Jacobson Victoria Square House Victoria Square B2 4 BU

Equitas Academies Trust (A Company Limited by Guarantee)

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 (incorporating a strategic report) under company law.

The multi academy trust operates 1 primary and 1 secondary school serving catchment area in Birmingham which are:

- Aston Manor Academy
- Chilwell Croft Academy

They have a combined pupil capacity of 1395 and had a roll of 1376 in the school census on 6th October 2022. *(State data from Autumn 2022 census.)*

Structure, Governance and Management

Constitution

The multi 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 multi academy trust. The Trustees of Equitas Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Equitas Academies Trust.

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

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the multi academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on multi academy business. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

The management of the academy trust is the responsibility of the trustees who are elected under the Articles of Association.

To ensure that the board and its committees have the appropriate balance of skills and knowledge to enable them to discharge their duties, appointment are made on merit and consider the benefits of diversity in terms of race, gender and age.

Over the past year we have worked in the following ways to ensure that we recruit Trustees who add value to our board and fill any skills gaps:

- Adverts via Governors for Schools looking for particular skills sets in business, law and finance related areas;
- Invitation of persons known to the trust, who are able to benefits the trust through their knowledge and/or experience;

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

The appointment process includes:

- An assessment of skills and experience
- A meeting with the CEO and tour of the schools
- An interview with a group of Trustees

The Chair and Vice Chair are elected annually and terms of office for being a committee member of reviewed annually.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The induction and training of trustees is critical to ensuring strong governance. The development of Trustees is as important as the development of employees.

Induction and Training includes:

- Attending meeting and meeting staff and trustees prior to formally joining the board;
- Ongoing training in legislation and responsibilities, included information provided by the ESFA and DfE;
- Training provided through subscriptions through National Governors Association (NGA) and Birmingham Governor and School Support service
- Awareness of the Academies Trust Handbook (which is shared annually).

The trust had Gold NGA membership.

Any trustees with names responsibility attends relevant training and provides information to Trustees following such training. Training is also provided to the full trust board by expert staff employed within the trust on such matter such as Safeguarding.

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 and General Purposes Committee (incorporating Audit Committee)
- Raising Standards Committee

The written terms of reference of the committees include the monitoring of the preparation and management of the multi academy's budget and implementation of the multi 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 multi academy trust's financial procedures.

Arrangements for setting pay and remuneration of key management personnel

Key management are regarded as the Trustees and senior management team as listed. Trustees are unpaid.

The arrangements for setting the pay and remuneration of the key management personnel of the trust are:

- Subject to School Teachers Pay and Condition Document (STPCD)
- Guidance on school teachers pay and conditions
- National Joint Council (NJC) for Local Government Service advice.

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

For teaching staff, the determinations of leadership pay is inline with the school group size and relevant scale points attributed to the group pay range. For non-teaching staff, the determination is in line with validated job descriptions relevant to roles and by agreement between the Trust Board and Chief Executive Officer.

Incremental rises are dependent upon the successful completion of the previous years performance management cycle and quality assured by the Senior Leadership Team within each academy. Recommendations for pay increases are made to the Finance & General Purposes committee and their decision confirmed by the Board at the autumn term meeting.

Trade union facility time

The Trust, via the individual schools subscribes to Facilities Time through a Service Level Agreement with Birmingham City Council.

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2018 is as follows :

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£0
Total pay bill	£8,875,932
Facility time as percentage of total pay bill	-

Paid trade union activities

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

All members and trustees complete pecuniary interest declarations on an annual basis. The declaration sets out any relationship with the trust that is not directly related to their duties within these roles. Each individual is required to declare a potential 'conflict of interest' it arises between such declarations. This is an agenda item at each Board and committee meeting. Once a declaration has been made the individual concerned takes no further part in any decision relating to the matter declared.

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

Objectives and activities

Objects and aims

The strategic goal of Equitas Academies Trust is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the multi academy trust and the Department for Education.

Objectives, strategies and activities

The main objectives for the year are:

- To ensure that despite the pandemic outcomes for children and young people remain at 2019 levels of higher.
- To ensure that a full school offer is experienced by all children and young people including sport, trips, speakers and residential activities.
- To continue with plans to grow the Trust working closely with local partners with a shared vision in line with government expectations.
- To further develop the employee offer making Equitas Academies Trust an attractive place to work and to offer a wider range of support and benefits to employees.

The strategies adopted for achieving these objectives are:

- Monitoring of education progress and outcomes effectively during the year which included the planning and implementation of appropriate catch-up activities.
- Reintroduction of a full programme of enrichment activities for all year groups.
- Informal and formal discussions with Regional School Commissioners Office, Department for Education and local partners with agreement around timelines for next steps.
- Development and agreement of Equitas Offer for all employees by EAT Management Team which is now published on the Equitas website.

Significant activities linked to the trust's charitable activities, and how they further its aims, have been:

- Continue with cross Trust working in anticipation of growing the Trust in future years.
- Review of the physical estate and school building to identify priorities for future developments which enhance the student and teaching and learning experience.

Public benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit. The trustees consider that the trust can clearly demonstrate that its aims are to advance education for public benefit.

Equitas Academies Trust 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

Our Objective

To provide high quality education provision for all our academies within the trust so that the outcomes for children and young people are improved.

Achievements and Performance

What we did

Despite the pandemic we have continued to deliver a high-quality education experience for all students. This has included online learning when the need has arisen. Despite this attendance remained high and teams in both schools worked hard with students and parents where persistent absence was an issue. We sought to close and gaps in learning through high quality teaching plus intervention activities which included 1:1 and National Tutoring Programme, small group tutoring, large group intervention including working with specialist providers and our own staff) and the 16-18 tutoring programme.

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

We also supported staff by offering high quality professional development, and an outward facing team have helped us to refine our practice to sustain improvement over several years. As members of PIXL club, the Titan Partnership and working with St Mathews Research School, as well as running development programmes in house, the development of staff is a priority, we are proud to have a skilled and experience body. This has been a major contributing factor to our continued improvement.

Our school improvement partner Richard Sutton interrogates our practice on an annual basis in order to ensure our priorities are focused on improving outcomes for all. He undertook review of both school which highlighted many areas of good and outstanding practice. We also undertook external; review of SEND at Aston Manor Academy and Early Years at Chilwell Croft Academy. We have Trust Board members who are very experienced and knowledgeable with regards to education and they also undertook visits and review in addition to the more formal external reviews.

Our impact

Summary of Provisional Results 2021/22

The Trust has continued to deliver solid examination results, even after the period of uncertainty caused by the pandemic. Results at KS5 have remained high with a grade average of C+ for A Level subjects and a Distinction grade average for Applied General Qualifications. 85% of students from the Sixth Form have entered University as a result of their successful grades. At KS4 results continue to be above average with a provisional Progress 8 score of 0.57, with 69% of students gaining grades 9-4 basics and 57% gaining 9-5 basics. At KS2 53% of children reached the expected standard for Reading, Writing and Maths combined. Reading and maths were in line with national data, with writing requiring some improvement (although there was a drop in standards seen nationally for writing results).

Key Stage 5 Provisional Results

KS5 A Level only: Provisional Results

	APS per A-Level entry	APS per A-Level entry expressed as a grade	Average VA
2022 Provisional Results	33.53	C+	-0.28 (-0.07 to -0.49)
2022 May Forecast	28.75	C=	-0.74 (-0.53 to -0.95)
2021 Results (TAGs)	38.42	B	0.17 (-0.04 to 0.38)
2020 Results (CAGs)	38.57	B	0.69 (0.92 to 0.46)
2019 Results	31.23	C	0.22 (-0.05 to 0.5)
2018 Results	36.73	B-	0.42 (0.14 to 0.70)
2019 National Average	32.37	C+	---

KS5 Applied General Qualifications: Provisional Results

	APS per Applied General entry	APS per Vocational entry expressed as a	Average VA
2022 Provisional Results	36.42	Dist=	0.3 (-0.13 to 0.47)
2022 May Forecast	33.49	Dist=	0.01 (-0.17 to 0.18)
2021 Results (TAGs)	37.16	DI+	0.13 (-0.09 to 0.35)
2020 Results (CAGs)	35.29	Di	0.58 (0.80 to 0.35)
2019 Results	33.72	Di	0.30 (0.11 to 0.5)
2018 Results	34.67	Di	0.38 (0.06 to 0.69)
2019 National Average	28.89	Me+	N/A

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

Key Stage 4 Provisional Results

KS4 - 2022 Provisional Results

KS4 Provisional Results	KS2 Prior Attainment	Prov PQ Score	AB Score	Basics (E-E)	Basics (E-E)	English (E-E)	English (E-E)	Maths (E-E)	Maths (E-E)
2022 Provisional Results	4.64	0.57 (0.37 to 0.77)	4.86	57%	69%	70%	83%	59%	72%
2022 Apr Forecast	4.64	0.20 (-0.01 to 0.40)	4.43	33%	57%	47%	71%	40%	59%
2021 Results TAGs	4.57	0.62 (0.41 - 0.84)	4.75	40%	68%	66%	83%	46%	69%
2020 Results CAGs	4.61	0.64 (0.43-0.85)	4.83	37%	65%	57%	82%	48%	70%
2019 Results	4.61	0.44 (0.23-0.66)	4.66	41%	63%	64%	83%	47%	68%
2018 Results	4.29	0.44 (Top 31%)	4.27	28%	54%	57%	74%	33%	56%
2017 Results		0.21	4.51	29%	51%	58%	82%	31%	54%
2019 National BMK		0	4.67	43%	65%				

Key Stage 2 Provisional Results

CCA	Reading		Writing		Maths		GPS		RE/WR/MA	
Year	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GSD
2016	50%	7%	71%	0%	52%	5%	59%	4%	41%	0%
2017	57%	2%	80%	2%	64%	10%	57%	12%	44%	0%
2018	73%	15%	76%*	7%	78%	17%	75%	27%	68%	2%
2019	63%	13%	77%	12%	80%	17%	78%	36%	65%	11%
2022	75%	18%	55%	7%	70%	13%	71%	32%	53%	7%

NATIONAL Data (Expected Standard)	Reading	Writing	Maths	RE/WR/MA
2016	66%	74%	70%	53%
2017	72%	76%	75%	61%
2018	75%	78%	75%	64%
2019	73%	78%	79%	65%
2022 (provisional)	74%	69%	71%	59%

Year 4 Multiplication Table Check (MTC)

Year	80% or higher	70% or higher
2022	57%	70%

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

Key Stage 1 Provisional Results

Year	Expected Standard in Reading	Expected Standard in Writing	Expected Standard in Maths
2017	64%	57%	66%
2018	78%	71%	76%
2019	73%	63%	77%
2022	58%	50%	67%

Year 1 Phonics Screening

Year	School	National
2016	75%	81%
2017	81%	81%
2018	84%	82%
2019	63%	tbc
2022	58.6%	

Early Years Good Level of Development Results

Good Level of Development (GLD)		
Year	School	National
2016	72%	69%
2017	70%	71%
2018	66%	71.5%
2019	57%	71.8
2022	60.7%	

Key Performance Indicators

Quality Key Performance Indicators are set and monitored by the Raising Standards committee. We have high expectations of all our students at every key stage.

Key Performance indicators include:

- Ofsted inspection outcomes
- Examination/Key Stage results
- Pupil attendance data
- Destination Data for KS5 Pupils
- Direct costs as a percentage of total costs were 64.5% (2021 : 65.9%)
- Support costs as a percentage of total costs were 35.5% (2021 : 34.1%)
- Total payroll costs as a percentage of recurring income were 81.1% (2021 : 84.8%)

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

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the multi 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 Equitas Academies Trust 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 Multi 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 multi academy.

During the year ended 31 August 2022 total resources expended were £12,174,818 and the deficit of income over expenditure was £1,289,242 which included depreciation of £1,259,816.

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 multi academy had total funds at 31 August 2022 of £15,259,853 which included £1,552,649 restricted funds not available for general purposes of the multi academy trust, £824,082 of free reserves defined as unrestricted funds available for general purposes and £13,981,122 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 £2,476,731.

In addition, the deficit on the restricted pension fund of £1,198,000 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

Any surplus funds are invested with Lloyds Bank in a deposit account.

These investments are carried out in accordance with the powers vested in the board of trustees.

Principal Risks and Uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations, cash flow management and have put in place procedures to deal with these matters. The Risk Register has been established to ensure that all areas in the Orange Book have been included. During the Covid pandemic electronic procedures were introduced for all business and operational systems which will be retained going forward.

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

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. Due to the prevalence of cyber-attacks within the education sector there has been additional scrutiny placed on this risk during the last year and Trustees have sought to be assured that we are dealing appropriately with this risk and invested in an improved IT Infrastructure to prevent cyber-attacks.

Other principal risks are the loss of reputation through falling standards, falling student rolls and failure to safeguard the students of the trust.

Key Controls in place are:

- An organised structure with defined roles, responsibilities and authorisation levels;
- Terms of Reference for committee of the trust board;
- Financial planning, budgeting and regular management reports;
- Formal written and published policies for employees;
- Vetting procedures as required by law for protection of the vulnerable.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the period was monitored by the Trustees.

Plans for Future Periods

The Trust has plans to grow by coming together with likeminded organisations, small MAT's/SAT's. The Trustees are keen to ensure that any future iteration of the Trust continues with the vision of 'All Different, All Equal, All Achieving'. We also see ourselves developing a bigger MAT that is focusing on the City Centre of Birmingham and the surrounding area. We are currently in discussions with a SAT and another organisation which the Regional Department for Education Directors Office are aware of, and we intend to submit a proposal for MAT growth to this office in early 2023.

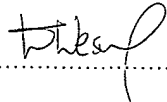
Alongside our aim to continue to develop education standards and outcome we have plans to invest some of our financial reserves into the physical estates of our two existing schools. We are working with an architect to develop masterplans for each site and are currently assessing priorities. At Chilwell Croft Academy our priority is to ensure that we have sufficient quality physical resources to accommodate the growing number of children within the city with Special Education Needs. At Aston Manor Academy we currently hire additional facilities to accommodate our sixth form students, we are looking at ways in which we can develop our own site rather than do this.

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^{13/12/2022}..... and signed on the board's behalf by:

.......... Wadim Wesolek - Chair of Trustees

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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 Equitas Academies Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring 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 Equitas Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

EQUITAS ACADEMIES TRUST- ATTENDANCE 21/22	Meetings Attended	Out of A Possible
<i>Adain Bailey</i>	1	6
<i>Roland Barrett-Price</i>	4	6
<i>Michael Bartley</i>	6	6
<i>Jane Gotschel- Appointed 27/9/21</i>	6	6
<i>Simon Harris (Vice Chair)</i>	6	6
<i>Herville Hector</i>	5	6
<i>Conor Hickey</i>	5	6
<i>David Jones - end of term 11/3/22</i>	2	2
<i>Karen Malcolm - Appointed 27/9/21</i>	6	6
<i>Simon Spencer - Resigned 27/9/21</i>	1	1
<i>Nadia Talukder - Appointed 28/3/22</i>	2	4
<i>Wadim Wesolek (Chair)</i>	6	6

During 2021/22 there were some significant changes to the composition of the Trust Board including the appointment of a new Chair and Vice Chair. Education knowledge and experience was added to the Board through the recruitment of 3 new Trustees covering Early Years and Careers, Primary, and Secondary and Sixth Form education. This now compliments the existing expertise in Finance, Audit and Estates and Facilities. The Board continued to recruit additional legal and financial expertise through the course of year with an additional Trustee planned to join with this background in September 2022. The board is also more diverse than many with regards to gender, age and race. Reporting at committees has continued to be standardised with the data presented now showing comparisons with the previous year, allowing discussion and challenge regarding trends and any required actions.

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

Actions taken this year include:

- Recruitment of additional Education experience
- Annual Review of the skills and expertise of the Board using the NGA framework
- Continuation of Trustee Visits and review of these reports during Full Trust Meetings
- Working with Governors for Schools to recruit additional Trustees
- Involvement of Trustees in recruitment of SLT levels posts in schools and for posts at Level 7 and above for the Central Team
- Involvement of key Trustees in meetings with potential partners for Trust Growth
- Trustees attending meetings with Student Council to review feedback and then share with the Board.

Conflicts of interest

The Governance Professional maintains a Register of Business and Pecuniary interest which is checked at the start for changes and amendments at the start of each Full Trust Board and committee meeting. These are shared on the Trust website. In addition, Trustees are asked to declare any interests in any agenda item at the start of each Full Trust and committee meeting and if they do declare are asked to remove themselves from that agenda item.

Review of governance

A review of governance was undertaken during the year using the NGA Framework which found that additional expertise in Primary Education and Legal and or finance would be useful.

Subsequent to this the following actions were taken:

- Appointment of Trustee with Primary Expertise (April 2022)
- Recruitment of Trustee with finance and legal expertise recruitment – joined board in September 2022.

The trust intends to conduct its next self-evaluation/external review in 2022/23.

The **finance and general purposes committee** is a sub-committee of the main board of trustees. Its purpose is to

- Assist the Board in its ongoing oversight of the Trust's arrangements for budgeting, financial planning, financial performance and financial reporting in respect of both revenue and capital activities;
- Assist the Board in its ongoing oversight of all other support operations of the Trust, including Estates, Compliance, ICT and HR as required;
- Fulfil the remit of the Audit committee.

EQUITAS ACADEMIES TRUST-ATTENDANCE 21/22	<i>Meetings Attended</i>	<i>Out of a Possible</i>
<i>Herville Hector</i>	4	7
<i>Adain Bailey</i>	0	7
<i>David Jones - end of term 11/3/22</i>	3	3
<i>Wadim Wesolek (Chair of Trust)</i>	7	7
<i>Conor Hickey (Chair of F&GP)</i>	6	7
<i>Roland Barrett-Price</i>	4	7

**Equitas Academies Trust
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Governance statement for the year ended 31 August 2022 (continued)

Review of value for money

As accounting officer the Chief Executive Officer has responsibility for ensuring that the multi 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 or by using a framework where appropriate. The accounting officer for the Multi Academy Trust has delivered improved value for money during the year by:

- Reviewing individual academy subscriptions and replacing these with Trust wide subscriptions and suppliers to reduce costs and increase efficiencies.
- Forensic analysis of staffing levels and staffing costs, reviewing vacant roles and looking at the most effective way to replace this or cover the work in a more financially efficient way.
- Cost Control Initiatives established, centralising of common departmental procurement, proactive spending by identifying common themes and requirements, streamlining processes and introducing spend strategies to ensure proper allocation of funds and adhering to the principles of Zero Based Budgeting.
- Reviews of various reporting of key areas of funding and expenditure.

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 multi 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 Equitas Academies Trust for the year 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 multi 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 multi academy trust's significant risks that has been in place for the year 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 multi 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.

Equitas Academies Trust
(A Company Limited by Guarantee)

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

The board of trustees has decided to :

- buy-in an internal audit service from Services 4 Schools (S4S)

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

- Review of the Financial operational processes within the finance team on a monthly basis, focusing on the balance sheet control accounts'
- Financial Systems, IT and Cyber Security
- Cash/Treasury Management

On a termly/quarterly basis, the Chief Finance Officer reports 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 a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

For the year ended 31st August 2022, S4S carried out three internal control reviews for Equitas Academies Trust, during March 2022, June 2022 and August 2022. The reviews focused on the following areas:

March 2022 Review:

The areas tested as agreed by the Board of Trustees were as follows:

- Month end processes - To ensure the academy Trust month end processes are in line with the approved financial procedures and compliant with the ATH
- Balance sheet reconciliations - Review of the Trusts process for the monthly balance sheet reconciliations as part of the month end process

Key Findings, Recommendations and Conclusions

The Areas reviewed highlighted processes had evolved due to betterment and procedures required updating to reflect this. Further Balance Sheet Reconciliations recommendations adopted and Management Accounts procedures modified.

June 2022 Review

The areas tested as agreed by the Board of Trustees were as follows:

- Finance review: (1) Follow-up from Spring Review and checking of points raised - To ensure all recommendations from the Spring review have been actioned and completed
- Finance review: (2) Review of existing finance systems - To review to consider if the finance systems are fit for purpose
- Cyber security review - To ensure systems are reviewed for cyber security

Key Findings, Recommendations and Conclusions

The Finance Areas reviewed highlighted that the previous recommendations had been adopted, however timeliness and completeness of packs finished in part. A plan for ongoing work to accomplish with adequate resource has been put into place.

Cyber Security review highlighted areas which require compliance verification and low risk threat to IT Infrastructure. An IT Strategy Plan is in place, which is priority focused to upgrade Servers, Switches and Wi-Fi.

Equitas Academies Trust
(A Company Limited by Guarantee)

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

August 2022 Review:

The areas tested as agreed by the Board of Trustees were as follows:

- Other Income - Ensure monies are recorded correctly in the accounting system and monitored adequately.
- Sales Ledger - Ensure monies are recorded correctly in the accounting system and invoices raised correctly
- Funding Reconciliation - Review receipts from ESFA and check the amounts agree with the source documentation and entered on the Finance System.
- Capital Funding - To ensure Capital Funding is monitored correctly
- Reporting - To review process of financial reporting, cash/treasury management
- Insurance - To ensure adequate insurance cover is in place.

Key Findings, Recommendations and Conclusions

The Areas reviewed highlighted procedures and documentation to be updated to reflect processes. The Recommendations are to be implemented.

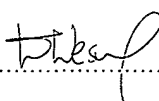
Review of Effectiveness

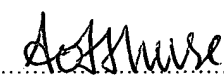
As accounting officer, the chief executive officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal 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 multi 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 and general purposes 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 13/12/2022 and signed on its behalf by:


.....
Wadim Wesolek
Chair of Trustees


.....
Alex Lofthouse
Accounting Officer

Equitas Academies Trust
(A Company Limited by Guarantee)

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

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

..... Alex Lofthouse – Accounting Officer

Date : 13/12/22

Equitas Academies 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:

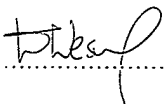
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 on13/12/2022..... and signed on its behalf by:

.......... Wadim Wesolek – Chair of Trustees

Equitas Academies Trust
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of
Equitas Academies Trust

Opinion

We have audited the financial statements of Equitas Academies Trust (the 'multi academy trust') for the year to 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 multi 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 multi 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 multi 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.

Equitas Academies Trust
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Equitas Academies 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 Multi 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.

Equitas Academies Trust
(A Company Limited by Guarantee)

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on pag 17), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

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 multi academy trust'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 multi academy trust'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:

- 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.

Equitas Academies Trust
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Equitas Academies Trust

(continued)

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

- 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 multi 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 multi academy trust and the multi 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 : 14/12/2022

Equitas Academies Trust
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 30 April 2018 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 Equitas Academies Trust during the year 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 Equitas Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Equitas Academies 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 Equitas Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Equitas Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Equitas Academies Trust's funding agreement with the Secretary of State for Education dated 4 September 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 year 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.

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 work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the multi academy trust's funding agreement
- Review and evaluation of the Multi 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

Equitas Academies Trust
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to Equitas Academies 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 year 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 : 14/12/2022

Equitas Academies Trust
(A Company Limited by Guarantee)

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	-	-	-	351,145	351,145	529,015
Charitable activities :	3						
Funding for the academy trust's educational operations		194,030	-	10,338,676	-	10,532,706	10,043,171
Teaching school hub	29	-	-	-	-	-	36,000
Other trading activities	4	-	-	-	-	-	797
Investments	5	1,725	-	-	-	1,725	1,509
Total		195,755	-	10,338,676	351,145	10,885,576	10,610,492
Expenditure on :							
Charitable activities:							
Academy trust educational operations	6, 7	195,755	808,000	9,911,247	1,259,816	12,174,818	11,472,155
Teaching school hub	29	-	-	-	-	-	34,750
Total		195,755	808,000	9,911,247	1,259,816	12,174,818	11,506,905
Net income/(expenditure) before transfers		-	(808,000)	427,429	(908,671)	(1,289,242)	(896,413)
Transfers between funds	16	-	-	(67,943)	67,943	-	-
Net income/(expenditure) after transfers		-	(808,000)	359,486	(840,728)	(1,289,242)	(896,413)
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	16, 26	-	5,976,000	-	-	5,976,000	(554,000)
Net movement in funds		-	5,168,000	359,486	(840,728)	4,686,758	(1,450,413)
Reconciliation of funds							
Total funds brought forward	17	924,082	(6,366,000)	1,193,163	14,821,850	10,573,095	12,023,508
Total funds carried forward		924,082	(1,198,000)	1,552,649	13,981,122	15,259,853	10,573,095

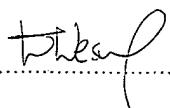
All of the Academy's activities derive from continuing operations during the above two financial periods.

Equitas Academies Trust
(A Company Limited by Guarantee)

Company number : 07662289
Balance sheet as at 31 August 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		13,933,245		14,809,686
Current assets					
Debtors	14	637,317		631,716	
Cash at bank and in hand		<u>4,821,143</u>		<u>2,712,241</u>	
		5,458,460		3,343,957	
Liabilities					
Creditors: amounts falling due within one year	15(a)	<u>2,933,852</u>		<u>1,212,178</u>	
Net current assets			2,524,608		2,131,779
Total assets less current liabilities			<u>16,457,853</u>		<u>16,941,465</u>
Creditors: amounts falling due after more than one year	15(b)		-		(2,370)
Net assets excluding pension liability			<u>16,457,853</u>		<u>16,939,095</u>
Defined benefit pension scheme liability	26		<u>(1,198,000)</u>		<u>(6,366,000)</u>
Total net assets			<u><u>15,259,853</u></u>		<u><u>10,573,095</u></u>
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	16	13,981,122		14,821,850	
Restricted income fund	16	1,552,649		1,193,163	
Pension reserve	16	<u>(1,198,000)</u>		<u>(6,366,000)</u>	
Total restricted funds			14,335,771		9,649,013
Unrestricted income funds	16		924,082		924,082
Total funds			<u><u>15,259,853</u></u>		<u><u>10,573,095</u></u>

The financial statements on pages 24 to 46 were approved by the trustees, and authorised for issue on 13/12/2022 and are signed on their behalf by:

 Wadim Wesolek - Chair of Trustees

Equitas Academies 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	20	2,144,154	805,573
Cash flows from investing activities	21	(30,505)	(482,852)
Cash flows from financing activities	22	(4,747)	(4,748)
		<u>2,108,902</u>	<u>317,973</u>
Cash and cash equivalents at 1 September 2021		2,712,241	2,394,268
Cash and cash equivalents at 31 August 2022	23	<u>4,821,143</u>	<u>2,712,241</u>

Equitas Academies Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022

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 multi 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 multi academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the multi 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 multi 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 year 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 year 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.

Equitas Academies Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**
Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the multi 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 multi 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 multi 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 multi academy trust's educational operations, including support costs and costs relating to the governance of the multi academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

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:

Freehold property	24.55 years straight line
Long leasehold buildings	Term of lease
Building refurbishments	10 years straight line
Motor vehicles	20% straight line
Fittings and equipment	10% straight line
Computer hardware	33.33% straight line

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

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered.

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.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.9 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.

1.10 Leased assets

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

1.11 Taxation

The multi 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 multi 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 multi 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.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

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 multi 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 year 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 multi 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 multi 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 26, 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.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	-	321,405	321,405	327,855
Donated fixed assets	-	-	29,740	29,740	195,750
Other donations	-	-	-	-	5,410
	-	-	351,145	351,145	529,015
2021 total	5,410	-	523,605	529,015	

3. Funding for the multi 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)	-	8,794,031	-	8,794,031	8,286,467
Other DfE Group grants					
Pupil premium	-	865,648	-	865,648	854,726
Supplementary grant	-	104,370	-	104,370	-
National tutoring programme	-	61,287	-	61,287	-
Teachers pension	-	49,982	-	49,982	241,838
UFSM	-	27,911	-	27,911	28,454
Teachers pay	-	17,688	-	17,688	85,585
Others	-	110,258	-	110,258	76,141
	-	10,031,175	-	10,031,175	9,573,211
Other government grants					
Local authority grants	-	151,562	-	151,562	270,912
	-	151,562	-	151,562	270,912
Other income from the academy trust's educational operations	194,030	-	-	194,030	65,775
Covid-19 additional funding (DfE/ESFA)					
Recovery/Catch-up premium	-	113,952	-	113,952	92,400
Other DfE/ESFA Covid-19 funding	-	41,987	-	41,987	40,873
	194,030	307,501	-	501,531	469,960
	194,030	10,338,676	-	10,532,706	10,043,171
2021 total	65,775	9,977,396	-	10,043,171	

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Notes to the financial statements for the year ended 31 August 2022 (continued)

3. Funding for the Academy Trust's educational operations (continued)

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Teaching school hub					
DfE/ESFA grants	-	-	-	-	36,000
2021 total	-	36,000	-	36,000	

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	-	-	-	797
2021 total	797	-	797	

5. Investment income

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	1,725	-	1,725	1,509
2021 total	1,509	-	1,509	

6. Expenditure

	Staff costs £	Non pay expenditure Premises £	Other £	2021/22 Total £	2020/21 Total £
Academy's educational operations					
Direct costs	6,227,890	629,906	981,329	7,839,125	7,578,231
Allocated support costs	2,595,220	1,099,432	641,041	4,335,693	3,893,924
Teaching school hub	-	-	-	-	34,750
	8,823,110	1,729,338	1,622,370	12,174,818	11,506,905
2021 total	8,547,168	1,630,855	1,328,882	11,506,905	

Net income/(expenditure) for the period includes :

		2021/22 £	2020/21 £
Operating leases	- plant and machinery	7,159	30,235
Depreciation		1,259,816	1,100,544
Fees payable to auditor	- audit	14,100	13,550
	- other services	-	250

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Notes to the financial statements for the year ended 31 August 2022 (continued)

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2021/22 Total £	2020/21 Total £
Educational operations					
Direct costs					
Educational operations	67,376	-	7,771,749	7,839,125	7,578,231
Teaching school hub	-	-	-	-	34,750
Support costs					
Educational operations	128,379	808,000	3,399,314	4,335,693	3,893,924
	<u>195,755</u>	<u>808,000</u>	<u>11,171,063</u>	<u>12,174,818</u>	<u>11,506,905</u>
2021 total	<u>73,491</u>	<u>588,000</u>	<u>10,845,414</u>	<u>11,506,905</u>	

Analysis of support costs

	Educational operations £	2021/22 Total £	2020/21 Total £
Support staff costs	2,595,220	2,595,220	2,406,361
Depreciation	629,910	629,910	508,920
Technology costs	28,217	28,217	23,640
Premises costs	476,681	476,681	566,021
Legal costs - other	11,319	11,319	7,995
Other support costs	564,702	564,702	359,842
Governance costs	29,644	29,644	21,145
Total support costs	<u>4,335,693</u>	<u>4,335,693</u>	<u>3,893,924</u>
2021 total	<u>3,893,924</u>	<u>3,893,924</u>	

8. Staff

a) Staff costs

Staff costs during the year were:

	2021/22 £	2020/21 £
Wages and salaries	5,945,998	5,886,761
Social security costs	590,820	598,322
Pension costs	<u>2,055,048</u>	<u>1,787,133</u>
	8,591,866	8,272,216
Agency staff costs	231,244	256,678
Staff restructuring costs	-	18,274
	<u>8,823,110</u>	<u>8,547,168</u>
Staff restructuring costs comprise :		
Severance payments	-	18,274
	-	<u>18,274</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

8. Staff (continued)

b) Severance payments

The academy trust paid one severance payment in the previous year, disclosed in the following band:

£0 - £25,000

2021/22 Number	2020/21 Number
-	1

c) Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £nil (2021 : £18,274).

d) Staff numbers

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

	2021/22 Number	2020/21 Number
Teachers	102	89
Administration and support	105	79
Management	4	5
	<u>211</u>	<u>173</u>

e) Higher paid staff

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

	2021/22 Number	2020/21 Number
£60,001 - £70,000	4	2
£70,001 - £80,000	3	3
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	<u>1</u>	<u>1</u>

f) Key management personnel

The key management personnel of the multi 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 multi academy trust was £351,005 (2021 : £432,003)

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Notes to the financial statements for the year ended 31 August 2022 (continued)

9. Central services

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

Category	Basis
Central team services	Allocation split as 70:30

The actual amounts charged during the year were as follows :

	2021/22	2020/21
	£	£
Aston Manor Academy	563,910	555,256
Chilwell Croft Academy	218,282	185,085
	<u>782,192</u>	<u>740,341</u>

10. Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the multi 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.

During the year ended 31 August 2022, no trustees received any remuneration from an employment with the trust (2021 : £nil).

There were no travel and subsistence expenses reimbursed or paid directly to any trustee during the current or previous year.

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

11. Trustees' and officers' insurance

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

12. Intangible fixed assets

	Computer software	Total
	£	£
Cost or valuation		
At 1 September 2021 and at 31 August 2022	<u>5,345</u>	<u>5,345</u>
Amortisation		
At 1 September 2021 and at 31 August 2022	<u>5,345</u>	<u>5,345</u>
Net book value		
At 31 August 2022	<u>-</u>	<u>-</u>
At 31 August 2021	<u>-</u>	<u>-</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

13. Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2021	17,468,629	4,461,267	537,085	1,186,090	47,894	23,700,965
Additions	74,026	245,110	16,071	48,168	-	383,375
At 31 August 2022	<u>17,542,655</u>	<u>4,706,377</u>	<u>553,156</u>	<u>1,234,258</u>	<u>47,894</u>	<u>24,084,340</u>
Depreciation						
At 1 September 2021	6,910,078	659,754	454,810	834,343	32,294	8,891,279
Charge for the year	458,473	583,729	49,969	162,445	5,200	1,259,816
At 31 August 2022	<u>7,368,551</u>	<u>1,243,483</u>	<u>504,779</u>	<u>996,788</u>	<u>37,494</u>	<u>10,151,095</u>
Net book values						
At 31 August 2022	<u>10,174,104</u>	<u>3,462,894</u>	<u>48,377</u>	<u>237,470</u>	<u>10,400</u>	<u>13,933,245</u>
At 31 August 2021	<u>10,558,551</u>	<u>3,801,513</u>	<u>82,275</u>	<u>351,747</u>	<u>15,600</u>	<u>14,809,686</u>

14. Debtors

	2022 £	2021 £
Debtors from operations	586	362
VAT recoverable	129,149	104,412
Prepayments and accrued income	507,582	526,287
Other debtors	-	655
	<u>637,317</u>	<u>631,716</u>

15. Creditors

	2022 £	2021 £
(a) Amounts falling due within one year :		
Creditors from operations	226,701	96,409
Accruals and deferred income	82,985	400,758
Loans	2,371	4,748
Other creditors	<u>2,621,795</u>	<u>710,263</u>
	<u>2,933,852</u>	<u>1,212,178</u>

Included in other creditors are amounts of £2,539,440 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 are being paid off after the year end.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

15. Creditors (continued)

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	43,904	26,884
Resources deferred in the year	16,562	43,904
Amounts released from previous years	(43,904)	(26,884)
Deferred income at 31 August 2022	16,562	43,904

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

	2022 £	2021 £
(b) Amounts falling due after more than one year :		
Loans	-	2,370
	-	2,370

Loans consist of a Salix loan from the ESFA of £nil (2021 : £2,370). The loan is repayable in six monthly instalments and there is no interest to pay. The amount due under one year is shown in note 14(a).

16. Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	1,191,913	8,794,031	(8,366,602)	(67,943)	1,551,399
UIFSM	-	27,911	(27,911)	-	-
Pupil premium	-	865,648	(865,648)	-	-
Recovery premium	-	113,952	(113,952)	-	-
Other DfE/ESFA Covid-19 funding	-	41,987	(41,987)	-	-
Teaching school hub	1,250	-	-	-	1,250
Other grants	-	495,147	(495,147)	-	-
	1,193,163	10,338,676	(9,911,247)	(67,943)	1,552,649
Restricted fixed asset funds					
Transfer on conversion	10,999,738	-	(793,054)	-	10,206,684
DfE Group capital grants	2,368,406	321,405	(293,180)	-	2,396,631
Capital expenditure from GAG	1,178,879	-	(140,719)	67,943	1,106,103
Other capital grant	95,209	-	(8,784)	-	86,425
Donations	179,618	29,740	(24,079)	-	185,279
	14,821,850	351,145	(1,259,816)	67,943	13,981,122
Pension reserve	(6,366,000)	-	(808,000)	5,976,000	(1,198,000)
Total restricted funds	9,649,013	10,689,821	(11,979,063)	5,976,000	14,335,771
Unrestricted funds					
Other income	924,082	195,755	(195,755)	-	924,082
Total unrestricted funds	924,082	195,755	(195,755)	-	924,082
Total funds	10,573,095	10,885,576	(12,174,818)	5,976,000	15,259,853

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Notes to the financial statements for the year ended 31 August 2022 (continued)

16. Funds (continued)

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 local authorities.

Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the multi 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 ESFA and local authorities 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)	1,318,329	8,286,467	(8,019,191)	(393,692)	1,191,913
UIFSM	-	28,454	(28,454)	-	-
Pupil premium	-	854,726	(854,726)	-	-
Catch-up premium	-	92,400	(92,400)	-	-
Other DfE/ESFA Covid-19 funding	-	40,873	(40,873)	-	-
Teaching school hub	-	36,000	(34,750)	-	1,250
Other grants	-	674,476	(674,476)	-	-
	<u>1,318,329</u>	<u>10,013,396</u>	<u>(9,744,870)</u>	<u>(393,692)</u>	<u>1,193,163</u>
Restricted fixed asset funds					
Transfer on conversion	11,797,745	-	(798,007)	-	10,999,738
DfE Group capital grants	2,321,731	227,855	(181,180)	-	2,368,406
Capital expenditure from GAG	885,621	-	(100,434)	393,692	1,178,879
Other capital grant	-	100,000	(4,791)	-	95,209
Donations	-	195,750	(16,132)	-	179,618
	<u>15,005,097</u>	<u>523,605</u>	<u>(1,100,544)</u>	<u>393,692</u>	<u>14,821,850</u>
Pension reserve	<u>(5,224,000)</u>	<u>-</u>	<u>(588,000)</u>	<u>(554,000)</u>	<u>(6,366,000)</u>
Total restricted funds	<u>11,099,426</u>	<u>10,537,001</u>	<u>(11,433,414)</u>	<u>(554,000)</u>	<u>9,649,013</u>
Unrestricted funds					
Other income	924,082	73,491	(73,491)	-	924,082
Total unrestricted funds	<u>924,082</u>	<u>73,491</u>	<u>(73,491)</u>	<u>-</u>	<u>924,082</u>
Total funds	<u>12,023,508</u>	<u>10,610,492</u>	<u>(11,506,905)</u>	<u>(554,000)</u>	<u>10,573,095</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

16. Funds (continued)

Total funds analysis by academy

	2021/22	2020/21
	Total	Total
	£	£
Fund balances at 31 August 2022 were allocated as follows :		
Aston Manor Academy	1,086,402	1,124,191
Chilwell Croft Academy	1,316,335	1,058,041
Trust	73,994	(64,987)
Total before fixed assets and pension reserve	<u>2,476,731</u>	<u>2,117,245</u>
Restricted fixed asset fund	13,981,122	14,821,850
Pension reserve	<u>(1,198,000)</u>	<u>(6,366,000)</u>
Total funds	<u>15,259,853</u>	<u>10,573,095</u>

Total cost analysis by academy

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

	Teaching & educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total
	£	£	£	£	2021/22 £
Aston Manor Academy	4,649,291	1,346,628	123,259	1,415,989	7,535,167
Chilwell Croft Academy	1,576,645	715,668	26,091	411,845	2,730,249
Trust	1,954	532,924	2,099	112,609	649,586
Academy trust	<u>6,227,890</u>	<u>2,595,220</u>	<u>151,449</u>	<u>1,940,443</u>	<u>10,915,002</u>
2021 total	<u>6,140,807</u>	<u>2,406,361</u>	<u>220,154</u>	<u>1,639,039</u>	<u>10,406,361</u>

17. 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	-	-	-	13,933,245	13,933,245
Current assets	924,082	-	4,486,501	47,877	5,458,460
Current liabilities	-	-	(2,933,852)	-	(2,933,852)
	<u>924,082</u>	<u>-</u>	<u>1,552,649</u>	<u>13,981,122</u>	<u>16,457,853</u>
Creditors due after one year	-	-	-	-	-
Pension scheme liability	-	(1,198,000)	-	-	(1,198,000)
Total net assets	<u>924,082</u>	<u>(1,198,000)</u>	<u>1,552,649</u>	<u>13,981,122</u>	<u>15,259,853</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

17. Analysis of net assets between funds (continued)

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	-	-	-	14,809,686	14,809,686
Current assets	924,082	-	2,407,711	12,164	3,343,957
Current liabilities	-	-	(1,212,178)	-	(1,212,178)
	924,082	-	1,195,533	14,821,850	16,941,465
Creditors due after one year	-	-	(2,370)	-	(2,370)
Pension scheme liability	-	(6,366,000)	-	-	(6,366,000)
Total net assets	924,082	(6,366,000)	1,193,163	14,821,850	10,573,095

18. Capital commitments

	2022 £	2021 £
Contracted for but not provided in the financial statements	56,000	12,000

19. Commitments under operating leases

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

	Total 2022 £	Total 2021 £
Amounts due within one year	17,876	18,775
Amounts due between one and five years	71,502	-
	89,378	18,775

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

	2021/22 Total £	2020/21 Total £
Net income/(expenditure) for reporting year (as per the SoFA)	(1,289,242)	(896,413)
Adjusted for :		
Depreciation (note 13)	1,259,816	1,100,544
Capital grants from DfE and other capital income	(321,405)	(327,855)
Donated fixed assets	(29,740)	(195,750)
Interest receivable (note 5)	(1,725)	(1,509)
Defined benefit pension scheme cost less contributions payable (note 26)	697,000	507,000
Defined benefit pension scheme finance cost (note 26)	111,000	81,000
Decrease / (increase) in debtors	(5,601)	(1,858)
Increase / (decrease) in creditors	1,724,051	540,414
Net cash provided by operating activities	2,144,154	805,573

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Notes to the financial statements for the year ended 31 August 2022 (continued)

21. Cash flows from investing activities

	2021/22	2020/21
	Total	Total
	£	£
Interest received	1,725	1,509
Purchase of tangible fixed assets	(383,375)	(812,216)
Capital grants from DfE Group	321,405	327,855
Capital funding from others	29,740	-
Net cash used in investing activities	(30,505)	(482,852)

22. Cash flows from financing activities

	2021/22	2020/21
	Total	Total
	£	£
Loan repayments in period	(4,747)	(4,748)
Net cash used in financing activities	(4,747)	(4,748)

23. Analysis of cash and cash equivalents

	At	At
	31 August	31 August
	2022	2021
	£	£
Cash at bank and in hand	4,821,143	2,712,241
	4,821,143	2,712,241

24. Analysis of changes in net debt

	At	Cash	Other	At
	31 August	flows	non-cash	31 August
	2021	£	changes	2022
	£		£	£
Cash at bank and in hand	2,712,241	2,108,902	-	4,821,143
Loans falling due within one year	(4,748)	2,377	-	(2,371)
Loans falling due after more than one year	(2,370)	2,370	-	-
	2,705,123	2,113,649	-	4,818,772

25. 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.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

26. Pension and similar obligations

The multi 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 Midland Pension Fund. Both are multi-employer defined-benefit schemes.

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

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

Teachers' Pension Scheme

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.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 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%.

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 £874,948 (2021 : £845,981).

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.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

26. Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £487,000 (2021 : £471,000), of which employer's contributions totalled £367,000 (2021 : £352,000) and employees' contributions totalled £120,000 (2021 : £119,000). The agreed contribution rates for future years is awaiting confirmation from the actuary for employers and between 5.5% and 10.5% 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 27 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%	(187)	(340)
Discount rate -0.1%	187	349
Mortality assumption 1 year increase	336	581
Mortality assumption 1-year decrease	-(336)	(557)
CPI rate +0.1%	161	309
CPI rate -0.1%	(161)	(301)

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

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Notes to the financial statements for the year ended 31 August 2022 (continued)

26. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	31 August 2022	31 August 2021
	£	£
Equities	4,825,000	4,290,000
Bonds	1,512,000	1,013,000
Property	576,000	495,000
Cash and other liquid assets	289,000	260,000
Other	-	986,000
Total market value of assets	7,202,000	7,044,000

The actual negative return on scheme assets was 3.3% (2021 : £1,033,000 positive).

	2021/22 £	2020/21 £
Amount recognised in the statement of financial activities		
Current service cost	1,064,000	859,000
Interest income	(119,000)	(93,000)
Interest cost	230,000	174,000
Total amount recognised in the SOFA	1,175,000	940,000

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

	2021/22 £	2020/21 £
At 1 September 2021	13,410,000	10,910,000
Current service cost	1,064,000	859,000
Interest cost	230,000	174,000
Employee contributions	120,000	119,000
Actuarial gains/(losses) - financial assumptions	(6,289,000)	1,841,000
Actuarial gains/(losses) - demographic assumptions	(45,000)	(164,000)
Actuarial gains/(losses) - experience gains/losses	18,000	(183,000)
Benefits paid	(108,000)	(146,000)
At 31 August 2022	8,400,000	13,410,000

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

	2021/22 £	2020/21 £
At 1 September 2021	7,044,000	5,686,000
Interest income	119,000	93,000
Return on assets less interest	(340,000)	940,000
Employer contributions	367,000	352,000
Employee contributions	120,000	119,000
Benefits paid net of transfers in	(108,000)	(146,000)
At 31 August 2022	7,202,000	7,044,000
Net pension scheme liability	(1,198,000)	(6,366,000)

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Notes to the financial statements for the year ended 31 August 2022 (continued)

27. 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.

No related party transactions took place in the year of account other than certain trustees' remuneration and expenses already disclosed in note 10.

28. Contingent liabilities

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 any liability, if any, and no provision has been made in these accounts.

29. Teaching school hub trading account

	2021/22		2020/21	
	£	£	£	£
Income				
Direct income				
Other income		-		36,000
		<u>-</u>		<u>36,000</u>
Expenditure				
Direct costs				
Direct staff costs	-		23,000	
Other direct costs	-	-	11,750	34,750
	<u>-</u>	<u>-</u>	<u>11,750</u>	<u>34,750</u>
Total expenditure		<u>-</u>		<u>34,750</u>
Transfers between funds excluding depreciation		-		-
Surplus from all sources		<u>-</u>		<u>1,250</u>
Teaching school hub balances at 1 September 2021		1,250		-
Teaching school hub balances at 31 August 2022		<u>1,250</u>		<u>1,250</u>