

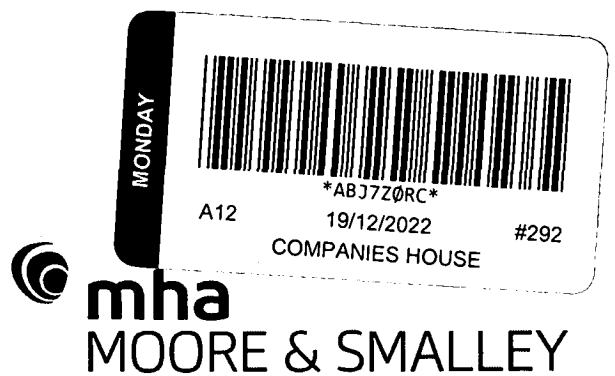
Company registration number 07950891 (England and Wales)

EDUCATION PARTNERSHIP TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022



EDUCATION PARTNERSHIP TRUST

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EDUCATION PARTNERSHIP TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Ms A Hepplestone
Mrs J Hughes
Mr H Patel

Directors

Ms S Roscoe
Mrs A Allen (Resigned 10 December 2021)
Mr L Green (Resigned 8 July 2022)
Mr I Brown
Mr I M Kendrick
Mr M C Cartledge
Mrs G C Carthy (Resigned 2 October 2021)
Mr J Holden
Mr G J Cowley
Mrs E Mulgrew (Appointed 26 March 2022)
Mr B Posthuma De Boer (Appointed 25 March 2022)

Senior management team

- Chief Executive Officer	Ms S Roscoe
- Chief Finance Officer	Mr J Georgy
- Human Resources Director	Ms C Howarth
- Director of Education	Mr M Cocker
- Headteacher (The Heights Free School)	Mr G Holding
- Headteacher (Eden School)	Ms J Ashworth
- Headteacher (Pleckgate High School)	Mr M Cocker (resigned 31 August 2022)
- Headteacher (Pleckgate High School)	Mrs A McGinty (appointed 1 September 2022)
- Headteacher (Coal Clough Academy)	Mrs H Clarke
- Headteacher (The Heights Burnley)	Mrs S Berry
- Headteacher (Atherton High)	Mr B Layzell
- Headteacher (Burnley High)	Mrs E Starkey (appointed 1 September 2021)

Company secretary

Mrs E Elliott (resigned 11 November 2021)

Company registration number

07950891 (England and Wales)

Registered office

Education Partnership Trust
Pleckgate Road
Blackburn
BB1 8QA

Academies operated

The Heights Free School
Eden School
Pleckgate High School
Coal Clough Academy
The Heights Burnley
Atherton High
Burnley High

Location

Blackburn
Blackburn
Blackburn
Burnley
Burnley
Manchester
Burnley

Headteacher

Mr G Holding
Ms J Ashworth
Mr M Cocker
Mrs H Clarke
Mrs S Berry
Mr B Layzell
Mrs E Starkey

EDUCATION PARTNERSHIP TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Solicitors

Forbes Solicitors
Ribchester House
Lancaster Road
Preston
PR1 2QL

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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

Within this year the Trust operated 7 schools (3 secondary schools, 3 Alternative Provision schools and 1 Special SEMH school across Blackburn with Darwen, Lancashire and the Greater Manchester area). These academies had a combined pupil admission number (PAN) of 2,900 and had a roll of 2,658 in the school census on May 2022.

Structure, governance and management

Constitution

The 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 Trust.

The Directors are the trustees of Education Partnership Trust ('EPT') and are also the directors of the charitable company for the purposes of company law. Details of the Directors 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.

Directors' indemnities

The Trust has purchased indemnity insurance to protect Directors and Officers from claims arising in connection with Trust business. The insurance provides cover of up to £2 million on any one claim.

Method of recruitment and appointment or election of Directors

The Trust has a total of eight Directors as shown on Page 1 including the Chief Executive. Directors are appointed in accordance with the Articles of Association, they are appointed for four years and may be re-appointed. In selecting new Directors, the Trust seeks to identify people who are willing to commit their time and skills for the advancement of the purposes of Education Partnership Trust, adding value to the leadership of the Trust and ensuring good governance is secured.

Policies and procedures adopted for the induction and training of Directors

Following appointment all new Directors receive an introduction to their role from the Chair and Chief Executive. This introduction includes the opportunity for tours to school sites and meeting members of a school's Senior Leadership Team. The Trust's Governance Professional ensures new Directors receive sufficient support and information to enable them to discharge their role. All Directors are required to adhere to the Code of Conduct held by the Trust and complete the annual skills audit to identify any training needs.

Organisational structure

The Board of Directors holds a meeting at least every term and also the annual general meeting (AGM). The Board of Directors (BoD) ensures compliance with company and charity law and with the Trust's funding agreement with the Secretary of State.

The Directors are responsible for the general control and management of the Trust. The Directors give their time freely and receive no remuneration or other financial benefits, other than the Trust Chief Executive who also serves as a Director. The Directors act as the governors of the EPT and are also the Directors of the charitable company for the purposes of company law. The Directors meet at least termly and are responsible for all decisions taken in relation to the activities provided by EPT.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees have established an Audit, Risk & Finance Committee that meets at least termly to ensure the independent checking of financial controls, systems, transactions and risks. The Trust has delegated some decision making to additional Trustee committees and the local governing bodies of its schools. The Trust has a clear scheme of delegation regarding the delegation of these decisions; this also details the decisions that have been delegated to management to ensure the day to day operational capacity of the Trust. The Trust, as a Multi-Academy Trust, has a Central Office to support its academies in relation to their business support and academic standards. The Trust Chief Executive is the Accounting Officer.

The Board of Directors (BoD) ensures compliance with company and charity law and with the Trust's funding agreement with the Secretary of State. The Directors are responsible for the general control and management of the administration of the Trust in accordance with the provisions set out in the memorandum and articles of association. The Board is accountable for the performance of all academies within the Trust and as such:

- Ensures clarity of vision, ethos and strategic direction.
- Holds the executive to account for the educational performance of the schools and their pupils, and the performance management of staff.
- Oversees the financial performance of the Trust and makes sure its money is well spent.

Arrangements for setting pay and remuneration of key management personnel

The Trust takes part annually in the pay benchmarking work with Employer Link who complete an analysis of all executive pay in Multi-Academy Trusts (MATs) when determining the Senior Leadership Team pay which is set by reference to benchmarking and comparison of pay with other roles in the sector. The Trust has a Performance and Remuneration Committee that has responsibility for agreeing the pay of the Chief Executive as outlined in the Executive Pay Policy.

In addition to this, the Trust also follows the School Teachers Pay and Conditions Document (STPCD) which identifies the statutory requirements for teachers' pay and conditions. The determination of the leadership group pay is based on varying factors outlined in the STPCD. When determining an appropriate pay range, the Trust takes into account all of the permanent responsibilities of the role, any challenges that are specific to the role, and all other relevant considerations.

The Trust also ensures that there is appropriate scope within the range to allow for performance-related pay over time.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	5
Full-time equivalent employee number	4.89

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	3,229
Total pay bill	16,441,751
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	58%
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Engagement with employees

There are a number of methods in which the Trust engages with its employees including but not exclusive to the following:

- The Trust is currently in the process of rolling out an extranet system across the Trust to improve communications across multiple sites. This will provide further opportunity to improve collaboration and share best practices.
- Hosting termly NJC meetings with all recognised trade unions to discuss matters that affect their members and staff at schools throughout the Trust. These meetings cover policy development, working conditions, pay and wellbeing of staff.
- The Trust has a training and development calendar available to all staff which covers many subjects ranging from challenging conversations to safer recruitment for middle and senior leaders.
- The Trust provides an annual employee survey which allows everyone an opportunity to provide confidential feedback in order for us to continually improve. We review this information, supporting action plans, forums and sharing of good practice to ensure staff feel their voice has been listened to and is valued.
- The Trust has employed a Health, Safety and Wellbeing Manager who promotes health, safety and wellbeing across the Trust. We also have wellbeing champions in each school to support health and attendance which may potentially affect (both directly and indirectly) the performance of the Trust.
- The Trust ensures that the best possible staff are recruited on the basis of their merits, abilities and suitability for the position.
- The Trust ensures recruitment advertising will encourage applications from all sectors of the community reflecting the Trust's commitment to equality and diversity.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Trust, in line with the Equality Act, recruits staff in a way that eliminates discrimination against disabled people at all levels, i.e. by ensuring reasonable adjustments are made if the candidate asks for disability support, minimum of two people shortlisting applications to select candidates for interviews, minimum of 2 people interviewing (usually panels are 3 or more), tests can be disability friendly (dependent upon the applicant need). After appointing a successful candidate, the Trust gives consideration to the need for equipment and modifications and makes sure these are in place within the workplace. It is ensured that all staff have equal access to induction, personal and career development opportunities, and facilities.

Engagement with suppliers, customers and others in a business relationship with the Trust

As part of the Board's decision-making process, the Board and its Committees consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term. Stakeholder conflicts are considered and where these exist decisions are made in line with supporting guidance. Conflicts of interests are taken into consideration and Trust procedure is to minimise the engagement of any related parties.

Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. Related party transactions that took place in the period of account are detailed in the notes to the accounts.

Objectives and activities

Objects and aims

The aim of the Trust ("the Object") is:

"to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies")

For the period covered by these financial statements the Trust operated seven academies; The Heights Blackburn, Eden School, Coal Clough Academy, Pleckgate High School, The Heights, Burnley, Atherton High School and Burnley High School.

The Heights Blackburn

The Heights opened in 2013 as a key stage 2 to key stage 4 alternative provision school. During the year the school was commissioned for 150 pupils which was approximately the number of pupils on roll, the vast majority were boys. The Heights was judged as good by Ofsted in November 2018, it's second consecutive good judgement.

Eden School

Eden is a special SEMH School which opened in September 2014 to provide special school provision for pupils with social, emotional and mental health needs age 7-16. Eden has the capacity for 60 pupils but during the year was commissioned for 54 pupils, which was approximately the number of pupils on roll. Pupils arrive at different starting points in terms of academic and social and emotional development at Eden school.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Coal Clough Academy

Coal Clough Pupil Referral Unit converted to academy status in September 2015 sponsored by the EPT. Coal Clough Academy is an Alternative Provision School that provides education for young people in Burnley and the surrounding areas. The school is commissioned for 140 pupils, the vast majority of which have been permanently excluded from their mainstream school. Approximately one quarter of the school population are identified as at risk of exclusion or their medical needs prevent them from accessing mainstream education.

Pleckgate High School

Pleckgate High School converted to academy status in February 2016 sponsored by the EPT. The school is a large, multi-cultural secondary school situated on the northern outskirts of Blackburn with Darwen.

The Heights Burnley

The Heights, Burnley opened as a new alternative provision Free School in September 2019. This is a key stage 1 to key stage 4 alternate provision school with the capacity for 150 pupils. During the year the school was in phase 2 of its growth plan and was therefore commissioned for 110 pupils.

Atherton High School

Atherton High School transferred to EPT in April 2020 as part of a rebrokerage. This is a small secondary school situated in Atherton, Wigan.

Burnley High School

Burnley High School transferred to EPT in April 2020 as part of a rebrokerage. This is a small to medium sized secondary school situated in Burnley.

Objectives, strategies and activities

The vision of the Education Partnership Trust (EPT) is to create outstanding schools which transform learning, lives and communities and the Board expects a high performing Multi-Academy Trust that delivers the very best educational experience for pupils with an ethos of collaboration and excellence.

The strategic aims will help to achieve the vision and are underpinned by the core values:

- High Expectations – of ourselves, our pupils and our school community
- Commitment – we are dedicated to raising standards and improving outcomes
- Ambition – we constantly strive to improve by setting ourselves challenging goals

The main aims of the Trust for the year were:

- To secure successful Ofsted inspection outcomes for Atherton High School and Burnley High School
- To develop our IT support and infrastructure including the employment of an IT Manager
- To maintain the capacity, quality and efficiency of our central team support for schools as our growth plans are realised

Public benefit

In setting the objectives, and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education. The key public benefit delivered by EPT is the development of high quality education provided within its schools, to the public benefit of all children local to these schools.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

The following were achieved by August 2022:

Successful Ofsted Inspection outcomes

- Atherton High School received a section 5 Ofsted Inspection in October 2021, just 18 months since joining EPT as part of a re-brokerage with Burnley High School in April 2020. Leadership and Management, Behaviour and Attitudes and Personal Development were all graded as 'Good' having improved from the previous grade of 'Requires Improvement' in 2018 which demonstrates the progress made by EPT on raising standards in a relatively short period of time. The school was graded 'Requires Improvement' overall due to the Quality of Education being a limiting factor, but the judgements made by the inspection team were in line with the school's self-evaluation. The areas identified by inspectors already feature in the school's improvement plans and have now been brought into even sharper focus.
- Burnley High School received a section 8 Ofsted Inspection in June 2022 and retained its status as a Good school across all areas. Inspectors recognised that the curriculum has been reviewed extensively recently. There is clear intent that focuses on developing a sound knowledge base in every subject to prepare for life beyond school and examination. Leaders, governors and trustees are ambitious for all pupils. They have high expectations of what pupils should achieve. Leaders ensure that staff prepare pupils well for their future lives. Pupils, including those with special educational needs and/or disabilities (SEND), progress well through the curriculum. Pupils benefit from a strong personal development curriculum. They gain the knowledge that they need to live safe and happy lives. Leaders, including trustees, have ensured through recent changes that all pupils, including those with SEND, learn a suitably broad and ambitious curriculum. Leaders and trustees are successfully increasing the proportion of pupils who study the English Baccalaureate suite of subjects. Pupils, including disadvantaged pupils, progress well through key stage 3 curriculums in most subjects. Teachers have strong subject knowledge and know their pupils well and adapt the teaching of subject content to the specific needs of their pupils. Pupils behave well and have positive attitudes towards learning. Staff appreciate how leaders and governors have taken steps to reduce their workload. The only area for development identified was that curriculum design was less effective in a small number of subjects in key stage 3. This already featured as a priority on the School Improvement Plan. Staff, leaders and governors appreciate the high-quality support they have received from the trust since the school joined in April 2020.

Governance Professional accreditation

- The HR Director of EPT successfully passed the Governance Professional qualification which will support her role overseeing governance in the Trust.

Central Team Capacity

- EPT was successful in its application to the Trust Capacity Fund grant being awarded the full amount applied for. The Trust Capacity Fund (TCaF) is a competitive grant fund that will award up to £24 million over the 2021-22 financial year to help trusts develop their capacity to grow. It has a particular focus on supporting strong trusts to take on underperforming schools from priority areas. This has enabled EPT to further develop the quality and efficiency of our central support to our schools including the implementation of a new HR management information system and Remote Monitoring and Management Software to be implemented January 2022.

School Improvement

- The part time secondment to the position of Director of Secondary Education enabled the provision of targeted and bespoke school improvement support for the two re-brokered secondary schools, Burnley High School and Atherton High School. The aim of the role was to raise standards across all trust secondary schools by challenging performance and supporting improvement. The recent successful Ofsted inspection outcomes for the two schools demonstrates the impact of this position in raising standards. The secondment was reviewed mid-year and at 12 months with a recommendation to invest in this position on a full time basis to ensure school improvement capacity needed for our growth strategy.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2021/22 Results

Heights Blackburn

The Heights is a Key Stage 2 – Key Stage 4 Alternative Provision School for young people, many of whom have found it difficult to be successful in a mainstream school. Year 11 pupil attainment is considerably above national averages for Alternative Provision for core subjects. Vocational Outcomes are strong and outcomes in Hair and Beauty are exceptionally strong.

The careers strategy and guidance is of a high quality and prepares pupils for the next stage of their education, employment or training. As a result, progression routes are strong and next steps include local colleges, apprenticeships, training providers, 6th forms and access courses up to Level 3.

- 92% of pupils secured a place in education, employment or training by September 2022.

The Heights has been awarded the Quality Mark, year on year, for good careers and guidance, achieving all the Gatsby benchmarks. The school has received a special commendation from Inspira, the leading employability skills expert, and act as a flagship to other schools.

Eden School

Eden is a SEMH special school in Blackburn with 47 pupils on roll currently. It received its section 5 inspection in November 2019. The school's overall effectiveness was judged to require improvement; but, behaviour and attitudes; personal development; leadership and management were judged as good. In a recent monitoring visit by Ofsted in May 2021, Ofsted said " Leaders and those responsible for governance are taking effective action in order for the school to become a good school." The school has since made significant improvements in this area with SLE support in core subjects and quality assured curriculum plans and schemes of work.

Behaviour continues to be good or better and the careers provision is of a high standard with the programme covering all key stages. Key Stage 4 have the opportunity to complete work placements which resulted in a student continuing in employment following work placement. 100% of Year 11 leavers progressed into education, employment and training (EET). Increasing referrals from local authorities demonstrates the confidence in the standards and quality of provision at the school. The school has benefitted from being part of the DfE Behaviour Hub programme culminating in a presentation from the Headteacher of Eden School to new schools joining the programme on the process and impact.

Coal Clough Academy

Coal Clough Academy is a secondary alternative provision school catering for 11-16years olds in the Pennine district. We are commissioned by the Lancashire County Council for 140 places. The school has seen a rapid increase in pupil numbers since the Spring.

Good progress was seen in English, Mathematics and Science this year with the pupils progressing onto college or apprenticeships in the local area.

Attainment continues to be high within the vocational curriculum. The School has increased the option subjects to include: Photography, Construction, British Sign Language and Life Skills. These are additions to the already robust curriculum, acknowledging the changes in cohort of referral received.

Behaviour continues to be good or better across the school and 96% of pupils enjoy coming to the school.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key performance indicators

Pleckgate High School

Pleckgate High School is a large, oversubscribed comprehensive secondary education provider, found in Blackburn with Darwen. Admissions to Pleckgate continue to rise, with the year 7 September 2022 cohort again over the published admission number of 270 pupils. In addition, the number of parents choosing Pleckgate as their first choice has once again increased proving sustained community confidence in the quality of education at the school.

In January 2019, Pleckgate was rated as Outstanding by Ofsted. The focus of the school's work continues to be on developing the quality of education across all key stages and subjects. After a full review of the curriculum and assessment across the school, there is a continued drive to ensure that all pupils continue to receive an ambitious curriculum, delivered by subject specialists to the highest standard. To support this work, the school continues to invest in the professional development of staff to ensure continuous improvement. The curriculum is carefully crafted to match the needs and aspirations of pupils and is supported by the pastoral and personal development curriculum that provides pupils with PSHE, RSE and excellent careers and advice and guidance at each stage of their education.

2022 signalled a return to externally sat examinations for pupils at the end of Key Stage 4. Despite the Covid-19 challenges faced over recent years, pupils at Pleckgate continue to thrive and achieve strong outcomes.

- Indicative Progress measures show that pupils make good progress across subjects, and in particular mathematics and English.
- Attainment 8 score: 45.43
- 83% of pupils achieved at least a grade 4 in English and 73% of pupils achieved at least a grade 4 in Mathematics
- 70% of pupils achieved a grade 4 in both English and Mathematics
- 61% of pupils achieved at least a grade 5 in English and 52% of pupils achieved at least a grade 5 in Mathematics
- 44% of pupils achieved a grade 5 in both English and Mathematics
- 24% of pupils achieved at least a grade 7 in English
- 32% of pupils entering the English Baccalaureate
- 22% of pupils achieving the English Baccalaureate grade 4 or above

The Heights, Burnley

The Heights, Burnley is an age 5-16 alternative provision school. During the last academic year, the school reached its highest pupil numbers to date with a number of new referring schools. 89% of year 11 pupils achieved at least 1 GCSE or equivalent qualification. The school achieved all the Gatsby benchmarks with 89% progressing onto further education, employment or training. 100% pass rate was achieved in all vocational qualifications and 78% of our respite places were successfully reintegrated back into a mainstream setting.

The school secured specialist provision for a further 6% of the respite places.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Atherton High School

Atherton High School is a smaller than average sized secondary school with 518 pupils on roll, located within the authority of Wigan but sharing close borders with Bolton and Salford education authorities.

The school transferred to EPT in April 2020 following a re-brokerage. This signalled a welcome fresh start for the school, bringing financial stability and a sharp focus on a high-quality education. This included investment in the building, classrooms, and IT. A review of governance was completed, and new governors appointed based on their skill set.

Prior to transferring to the EPT, the school was judged as 'requires improvement' in all areas and pupil outcomes were well below average. In October 2021, the school was inspected by Ofsted and judged overall to be 'requires improvement' but substantial improvements were recognised with 'good' judgements for behaviour & attitudes, personal development and leadership & management.

There has been a significant increase in pupils on-roll and first choice preferences, demonstrating an increased confidence from parents and the local community. With the growth in popularity, Atherton High School has undergone structural changes in all areas of staffing and remodelling of classrooms to meet the increased demand.

The curriculum ambition at Atherton High School is to make learning irresistible for all. We have designed a challenging and ambitious curriculum to provide the best learning opportunities for all our pupils to aspire and achieve. The curriculum supports pupils from all backgrounds, including those who are disadvantaged, so pupils can access a high-quality, knowledge-rich curriculum. Our school community believes strongly in providing disadvantaged pupils with a curriculum that enables them to reach the academic standards of their non-disadvantaged peers.

Despite the Covid-19 challenges faced since 2020, pupils achieved significantly improved outcomes in 2022, compared to previously published data (2019).

- Attainment 8 score: 42.76
- Indicative Progress measures show that pupils are making increasingly better progress than previously across a wide range of subjects.
- 71% of pupils achieved at least a grade 4 in English and 64% of pupils achieved at least a grade 4 in Mathematics
- 56% of pupils achieved a grade 4 in both English and Mathematics
- 51% of pupils achieved at least a grade 5 in English and 49% of pupils achieved at least a grade 5 in Mathematics
- 37% of pupils achieved a grade 5 in both English and Mathematics

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Burnley High School

Burnley High School is an over-subscribed comprehensive secondary school based in the heart of the Burnley community which transferred to EPT in April 2020 as part of a re-brokerage. Admissions to Burnley High School have continued to increase, with the year 7 September 2022 cohort again being over the published admission number of 120 pupils, with Lancashire County Council asking us to again increase our plan to 130. In addition, the number of parents choosing Burnley High School as their first choice has increased for the fifth year in a row, demonstrating sustained community confidence in the quality of education at the school.

Burnley High School was rated as Good in its most recent Ofsted inspection in June 2022. Our curriculum ambition at Burnley High School is to make learning exciting, engaging and irresistible for all. We have designed a challenging and ambitious curriculum to provide the best learning opportunities for all our pupils to aim high and achieve. Curriculum review is done through a continuous cycle in partnership with the middle leadership team at Burnley High to ensure what is taught is coherently planned and logically sequenced to equip all our learners to succeed in life. Our curriculum supports learners from all backgrounds, including those who are disadvantaged, so all learners access a high quality, knowledge rich curriculum.

Our school community believes strongly in providing disadvantaged learners with a curriculum that enables them to reach the same academic standards of their non-disadvantaged peers. A full evaluation of every subject area has been completed and significant investment in staff development and pedagogical knowledge to further enhance the curriculum offer. Under the care of our pastoral and curriculum staff, our pupils have continued to grow, thrive, and stay safe.

- Attainment 8 score: 41.63
- Indicative Progress measures showing that pupils make good progress across several subjects, and in particular Mathematics, Science and Geography
- An increase to 46.9% of pupils entering the English Baccalaureate
- An increase to 17.7% of pupils achieving the English Baccalaureate
- 76.1% of pupils achieved at least a grade 4 in English and 72.6% of pupils achieved at least a grade 4 in Mathematics
- 67.3% of pupils achieved a grade 4 in both English and Mathematics
- 59.3% of pupils achieved at least a grade 5 in English and 51.6% of pupils achieved at least a grade 5 in Mathematics
- 29.7% of pupils achieved a grade 5 in both English and Mathematics

Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Directors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Protecting the success of the Trust

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Trust to achieve its charitable purposes and for the benefit of its stakeholders as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Trust are appropriately informed by s172 factors.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The Trust's total income during the year was £25,423,732 (2021: £23,404,822). Total income includes £nil (2021: £162,617) representing assets donated or inherited.

Total outgoing resources for the year were £25,015,992(2021: £23,546,497). The surplus of income over expenditure was £407,740 (2021: £141,675 deficit).

At the year end the Trust's total reserves were £50,565,757 (2021: £40,423,017) of which, £491,000 (2021: £491,000) was unrestricted, £5,342,798 (2021: £3,515,584) was general restricted funds, £2,275,000 (2021: £11,287,000) was the deficit on the restricted pension fund and £47,058,782 (2021: £47,703,433) was restricted fixed asset funds.

The Trust does not have an obligation to settle the pension liability immediately and there are no indications that it will crystallise in the foreseeable future. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of the Trust closing, outstanding local government pension scheme liabilities would be met by the Department for Education.

Reserves policy

The Trust needs to hold reserves for a number of reasons, examples of which are listed below:

- A contingency fund to deal with minor adjustments to operational expenditure from some budget headings;
- A planned accumulation of funds to pay for some major construction work or project;
- Expenditure held over to the following year to withstand variations in the level of funding to the Trust to balance out variations in funding levels;
- Potential redundancy payments to staff; and
- Anticipated increases in cost of living and pension contributions.

The Board of Directors ensures that the Reserves Policy is in accordance with the requirements laid down in the Academies Handbook by the ESFA.

It is the policy of the Trust to have reserves which can be used for future education purposes in line with the development plans. The Trust reviews reserve levels for each school on a regular basis and the Trust Reserves Policy is reviewed by the Audit, Risk & Finance Committee biannually.

During the year, as a whole, the Trust has achieved the 2% in year reserves target, however broken down to individual school level, not all schools have achieved this target. Where schools have not achieved this target, this is due to a number of factors similar to those listed above. There are some long-term school development plans in place to utilise some of the reserves to develop and improve the schools.

Investment policy

The Trust operates an interest-bearing current bank account and maintains sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected expenses. To enhance interest earned on accumulated reserves, the Trust is taking steps to implement a Treasury Management Policy which will include the deposit of surplus funds into a 32-day notice deposit account with its current bankers. During the year the Board of Directors decided that funds would not be invested this year as the rate of return was very little. The Trust Finance Director will continue to manage any placement of funds into such accounts in conjunction with schools.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

For the period covering these financial statements, the Directors, Central Team, Local Governing Bodies (LGBs) and Headteachers were responsible for identifying risks faced by the Trust and its schools. With the support of the Headteachers and the Trust Finance Director, Governors are required to establish and implement procedures to mitigate and monitor these risks. The Trust has assessed the major risks to which it is exposed, in particular those relating to the specific teaching, provision of facilities and operations, and its finances, including the impact of a pandemic and is satisfied that the systems and procedures are in place to mitigate its exposure to the major risks. Risk management has been further strengthened by the Risk Assessment Policy and Risk Register. Cyber risk is significant with increased attacks on the education sector. The Trust is addressing this risk by putting in place training and systems to prevent the likelihood of a severe cyber attack.

Financial and risk management objectives and policies

The internal financial systems are based on the Academies Handbook and are documented in the EPT Financial Handbook & Scheme of Delegation. The systems are based on a framework of segregation of duties, schemes of delegation which include authorisation and approval. The Trust reviewed the Financial Regulations as part of the wider Governance and Accountability Handbook. Financial management information is relevant, timely and accurate and minimises risks by consistently applying current circumstances to future years to forecast ahead.

Fundraising

The Trust has no outlined approach to fundraising. The Trust does not use any external fundraisers. Any fundraising activities are monitored by the Trust.

Streamlined energy and carbon reporting

	2022 kWh	2021 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year	3,487,221	3,688,082
	2022 metric tonnes	2021 metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	318.20	390.04
- Fuel consumed for owned transport	-	-
	318.20	390.04
Scope 2 - indirect emissions		
- Electricity purchased	300.03	298.50
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Trust	46.40	27.97
	664.63	716.51
Total gross emissions		
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.24	0.20

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Smart meters are installed at most sites and smart meters will be installed in those sites where they are not.

Energy saving behaviour's, such as turning lights off in rooms not being used and turning computer equipment off at the end of the day are being encouraged. Heating is also being limited where possible to address CO2 usage as well as the high utility rates.

Following on from the pandemic, the Trust have continued to utilise video conferencing technology for staff meetings, to reduce the need for travel between sites.

The Trust is researching Electric Vehicles where it may be possible to replace existing non-electric school minibuses. Eden School have already entered into a contract to replace all of the minibuses with electric vehicles and have installed charging points.

Across Trust schools, LED lighting audits have been conducted during 2021/22 and the Trust is planning to update lighting in schools where there are older, more energy consuming lighting systems in place during 2022/23.

Moving forward the Trust would like to engage with an energy specialist to look at energy usage across the Trust and present recommendations on changes to equipment which will save energy and therefore save money.

Plans for future periods

EPT will seek to achieve sustainable growth as a Multi-Academy Trust and approved academy sponsor working with communities across the country within three geographical clusters (Lancashire, Blackburn with Darwen and Greater Manchester) and manage sponsor-led academies. Within these schools the Trust will work to ensure the high performance of its pupils and that the schools meet the needs of those communities. EPT is working closely with the DfE regarding the potential sponsorship of a secondary school where Education Partnership Trust is named on the Academy Order.

In April 2020 the EPT sponsored two new secondary schools; Atherton High School and Burnley High School and has worked closely with both schools since then to achieve a healthy and stable financial position. Work continues to be done on improving the quality of education which has improved during this time and is evidenced within the Ofsted reports following inspections that took place during the year.

Funds held as custodian trustee on behalf of others

The Trust does not hold any funds as custodian Trustee.

EDUCATION PARTNERSHIP TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

A resolution proposing that MHA Moore and Smalley be reappointed as auditor of the charitable company will be put to the members.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 13/12/2022..... and signed on its behalf by:

Ian Brown

.....
Mr I Brown

EDUCATION PARTNERSHIP TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that Education Partnership 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 Directors has delegated the day-to-day responsibility to the Chief Executive, 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 Education Partnership Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 4 times during the year. Sub committees have been set up that meet separately in order to maintain effective oversight of funds. Attendance during the year at meetings of the Board of Directors was as follows:

Directors	Meetings attended	Out of possible
Ms S Roscoe	4	4
Mrs A Allen (Resigned 10 December 2021)	0	2
Mr L Green (Resigned 8 July 2022)	3	3
Mr I Brown	4	4
Mr I M Kendrick	3	4
Mr M C Cartledge	1	4
Mrs G C Carthy (Resigned 2 October 2021)	1	1
Mr J Holden	2	4
Mr G J Cowley	4	4
Mrs E Mulgrew (Appointed 26 March 2022)	1	1
Mr B Posthuma De Boer (Appointed 25 March 2022)	1	2

Conflicts of interest

The Trust maintains an up-to-date and complete register of interests, at each meeting board members are asked to declare any interests. The CFO reviews for any transactions.

EDUCATION PARTNERSHIP TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Review of value for money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors 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 Trust has delivered improved value for money during the year by:

- Improving educational standards

The Accounting Officer has improved value for money in improving educational standards in the following ways:

- EPT was successful in securing the Trust Capacity Fund grant from the Department for Education. This was the full amount applied for and for the period from 19 May 2021 to 31 March 2022 (the grant funding period).

The following proposed activities were approved and will further develop the quality and efficiency of our central support to our schools enabling schools to focus on teaching and learning:

- A HR Portal and Payroll system
- Remote Monitoring and Management Software
- Extranet
- HR administration support
- IT technician

The appointment of a IT manager generated financial savings from the reduction in the use of externally commissioned support through service level agreements

The Trust has established robust guidance within the Academy Trust's Handbook and Scheme of Delegation. This ensures segregation of duties, uniformity and consistency across all schools within the Trust. The Trust benefits from the provision of a qualified Chartered Accountant as its Finance Director and a Finance Manager who is qualified Certified Chartered Accountant. They hold regular meetings with all School Business Managers within the Trust.

Academy Advisory were commissioned for a second year as the Internal Auditors for the Trust and several internal audits performed during 2021-22 with 3 out of 7 schools being audited as well as the Trust central office. The internal audit reports highlighted some of the good practices in place at the schools as well as a number of recommendations which have/are being actioned at both the school and Trust level. The internal audit reports are presented to the Audit, Risk & Finance Committee.

EDUCATION PARTNERSHIP TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Trust has an internal Resources Committee made up of the CEO, Finance Director and HR Director. This Committee's purpose is to scrutinise requests for resources where there is expected to be a financial impact. Under this structure, full budget information was passed back to Local Governing Bodies to review detailed financial information at their termly meetings. The Resources Committee provides the necessary assurance that any significant changes to budgets, either through staffing or capital investment, have been thoroughly scrutinised. Local Governing Bodies are required to approve the budget plan annually. They are mindful of the Trust's Reserves Policy and the need to balance expenditure against income to ensure the sustainability of their respective schools and to ensure the Trust remains a 'going concern'.

The members of the Audit, Risk and Finance Committee meet with the external auditors annually to review and scrutinise the annual accounts and the external auditors' management report and to approve the annual accounts.

The Finance Director reviews budget monitoring reports monthly, considering expenditure against each budget and addresses any significant variances against budget.

The Finance Director reports back the financial position at a school and Trust level to the Accounting Officer and Chair of Directors, on a monthly basis in line with the Academies Handbook. In addition, financial reports are prepared for all Directors and Audit, Risk & Finance Committee members at least 6 times a year.

- Better purchasing

The Trust continually focuses on value for money and making cost savings where possible. During the year, it has achieved savings in a number of areas by obtaining single supplier contracts through competitive tender, utilising the economies of scale. Examples of this are IT equipment procurement, VOIP telephone systems, energy, subscriptions and licences. The Trust has also worked closely with suppliers for IT support contracts, with the intention of aligning contracts at some point in the future.

The Trust has worked with Expense Reduction Analysts (ERA), who are a company that analysed certain areas of Trust expenditure to identify areas for cost savings. During the year, ERA have managed the majority of energy contract renewals and have achieved good rates. ERA also investigated the Trusts Water costs and during October 2022 presented opportunities for savings. Further work will continue.

The Trust has reviewed internal processes and now requires School Business Manager or Headteachers to review and sign off all purchase order requests and regularly challenge these for efficiency and effectiveness. In turn the Governing Body regularly reviews the functions of the school, challenging how and why services are provided as appropriate. Benchmarking exercises are carried out for cost comparisons and to ensure value for money.

The EPT continues to utilise its own resources across the Trust rather than commissioning external support at additional cost. The Trust's Finance Team provides support and assistance across all schools in the Trust in a financial and operational capacity. This includes training and support as required.

The EPT buys into the DfE RPA scheme which offers value for money for schools within our Trust. The RPA doesn't offer the same savings for Pleckgate High School, a PFI school, and as a result they procure insurance cover separately.

Integrated Curriculum-Led Financial Planning

The Trust has been using integrated-curriculum led financial planning (ICFP) to plan and budget for staff in the current year as well as plan for future years. This has led to work being done to reduce the curriculum bonus and increase teacher/pupil contact time to generate cost savings/efficiencies. The Trust has developed a new template to further support this process which has been used throughout 2021-22. A new template was also created for the Alternative Provision and Special schools to try and ensure these schools can also benefit from ICFP.

EDUCATION PARTNERSHIP TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Investment in Central Staffing

Since September 2021 and following the Trust becoming a 7 school Trust, further investment has been made in areas covering School Improvement and ICT. This has been met without any changes to the management fee charged to our schools. The aim of this investment is to develop further the areas mentioned above, allowing schools to focus their time and budgets on improving educational standards. As the Trust continues to grow, other areas where we can support our schools will be considered for potential recruitment.

Income generation

The Trust previously submitted a successful application to the DfE for the Trust Capacity Fund. This grant of £180K has been fully recognised in 2021-22 following completion of the identified projects.

Following changes to how pupil numbers are calculated, the Trust is now eligible for School Condition Allowance (SCA). During the year the Trust received £295K in relation to this funding and it is anticipated that this level of funding will be received annually going forward.

Towards the end of the academic year, it was agreed that some reserve funds would be invested to improve the facilities at some of the schools. Some of this work has been completed within 2021-22 and some will be completed in 2022-23. Once completed this will improve income generated from lettings.

The Trust is mindful of the need to generate additional funds to maximise income generation, especially as rising costs place greater pressure on school budgets.

Areas to be developed in 2022-23

The Trust is in the process of aligning the majority of IT support contracts across the Trust. This will not only generate cost savings compared to some of the existing contracts but it should also lead to a significantly improved service. In addition to IT support the Finance Director is working closely with the Trust IT Manager and all schools to further improve the procurement process of IT equipment across all schools.

The identification of further cost savings remains a priority for the trust, including potential opportunities to reduce energy consumption to mitigate against increasing utility costs.

Service level agreements and contracts are under review to continually ensure best value and efficiency savings.

It was planned that during 2021-22, the Trust would develop and implement treasury management to ensure interest returns are maximised. As the rate of return was low, this was not completed, however this will be kept under review for 2022-23.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Education Partnership Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

EDUCATION PARTNERSHIP TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The risk and control framework

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

The Board of Directors has decided to buy in an internal audit service from Academy Advisory.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular the checks carried out in the current period included:

- a review and testing of cash, card and banking;
- a review of income and debtors;
- a review and testing of payroll;
- a review of purchasing and procurement;
- a review of risk management;
- a review of ICT

During the year, the internal auditor reports to the Board of Directors, through the Audit, Risk and Finance Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities. On an annual basis the internal auditors prepare a summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned. As part of their work and reporting back to the Audit, Risk and Finance Committee some recommendations have been raised and Trust management have worked to implement the majority of recommendations raised. From testing carried out during the Spring/Summer term, it was identified that some of the schools had not been fully complying with all the processes outlined in the Trusts' Financial Handbook and Scheme of Delegation. The non-compliance evidenced did not suggest any financial negligence nor have any further implications.

Review of effectiveness

As Accounting Officer the Chief Executive 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 external auditor;
- the work of the internal auditor;
- the financial management and governance self-assessment procedures or the school resource management self-assessment tool;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- correspondence from ESFA

EDUCATION PARTNERSHIP TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Approved by order of the member of the Board of Directors on 13/12/2022 and signed on its behalf by:

S Roscoe

Ms S Roscoe

Ian Brown

Mr I Brown

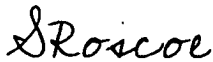
EDUCATION PARTNERSHIP TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

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

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



Ms S Roscoe
Accounting Officer

13/12/2022
.....

EDUCATION PARTNERSHIP TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The directors (who also act as trustees for Education Partnership Trust) are responsible for preparing the Directors' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 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 Directors to prepare accounts for each financial year. Under company law, the Directors must not approve the accounts 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 accounts, the Directors 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors 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 accounts 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 Directors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Directors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Directors on 13/12/2022 and signed on its behalf by:

Ian Brown

Mr I Brown

EDUCATION PARTNERSHIP TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDUCATION PARTNERSHIP TRUST FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Education Partnership Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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 Directors' 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 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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

EDUCATION PARTNERSHIP TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDUCATION PARTNERSHIP TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, including the incorporated strategic report.

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

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

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management, including trustees, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

EDUCATION PARTNERSHIP TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDUCATION PARTNERSHIP TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health & Safety; compliance with the Academy Trust Handbook; safeguarding and child protection; employment law; data protection and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

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

Use of our report

This report is made solely to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicola Mason

Nicola Mason (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Wirckley Square
Preston
PR1 3HP
13/12/2022
.....

EDUCATION PARTNERSHIP TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EDUCATION PARTNERSHIP TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 9 November 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Education Partnership Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Education Partnership Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Education Partnership 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 Education Partnership Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Education Partnership Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Education Partnership Trust's funding agreement with the Secretary of State for Education dated 16 October 2013 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes an evaluation of the control environment of the School together with enquiry, analytical review, substantive testing of transactions and consideration of governance issues.

EDUCATION PARTNERSHIP TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EDUCATION PARTNERSHIP TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

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

MHA Moore and Smalley

Reporting Accountant
MHA Moore and Smalley

Richard House
9 Winckley Square
Preston
PR1 3HP

13/12/2022
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EDUCATION PARTNERSHIP TRUST

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

		Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total 2022	Total 2021
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	-	4,814	474,183	478,997	260,918
Charitable activities:						
- Funding for educational operations	4	2,395,100	22,500,297	-	24,895,397	23,138,421
Other trading activities	5	48,714	-	-	48,714	5,044
Investments	6	624	-	-	624	439
Total		<u>2,444,438</u>	<u>22,505,111</u>	<u>474,183</u>	<u>25,423,732</u>	<u>23,404,822</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	2,444,438	20,867,857	1,703,697	25,015,992	23,546,497
Total	7	<u>2,444,438</u>	<u>20,867,857</u>	<u>1,703,697</u>	<u>25,015,992</u>	<u>23,546,497</u>
Net income/(expenditure)		-	1,637,254	(1,229,514)	407,740	(141,675)
Transfers between funds	17	-	(533,040)	533,040	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	9,735,000	-	9,735,000	(1,371,000)
Net movement in funds		-	10,839,214	(696,474)	10,142,740	(1,512,675)
Reconciliation of funds						
Total funds brought forward		491,000	(7,771,416)	47,703,433	40,423,017	41,935,692
Total funds carried forward	17	<u>491,000</u>	<u>3,067,798</u>	<u>47,006,959</u>	<u>50,565,757</u>	<u>40,423,017</u>

EDUCATION PARTNERSHIP TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		46,805,244		47,703,433
Current assets					
Debtors	14	1,489,025		972,424	
Cash at bank and in hand		6,571,227		4,676,014	
		<u>8,060,252</u>		<u>5,648,438</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(2,024,739)		(1,641,854)	
Net current assets			<u>6,035,513</u>		<u>4,006,584</u>
Net assets excluding pension liability			<u>52,840,757</u>		<u>51,710,017</u>
Defined benefit pension scheme liability	19		(2,275,000)		(11,287,000)
Total net assets			<u><u>50,565,757</u></u>		<u><u>40,423,017</u></u>
Funds of the Trust:					
Restricted funds	17				
- Fixed asset funds			47,006,959		47,703,433
- Restricted income funds			5,342,798		3,515,584
- Pension reserve			(2,275,000)		(11,287,000)
Total restricted funds			<u>50,074,757</u>		<u>39,932,017</u>
Unrestricted income funds	17		<u>491,000</u>		<u>491,000</u>
Total funds			<u><u>50,565,757</u></u>		<u><u>40,423,017</u></u>

The accounts on pages 30 to 54 were approved by the Directors and authorised for issue on 13/12/2022
and are signed on their behalf by:

Ian Brown

.....
Mr I Brown

Company registration number 07950891

EDUCATION PARTNERSHIP TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		2,225,914		2,225,153
Cash flows from investing activities					
Dividends, interest and rents from investments		624		439	
Capital grants from DfE Group		474,183		242,876	
Purchase of tangible fixed assets		(805,508)		(1,065,394)	
Net cash used in investing activities			(330,701)		(822,079)
Net increase in cash and cash equivalents in the reporting period			1,895,213		1,403,074
Cash and cash equivalents at beginning of the year			4,676,014		3,272,940
Cash and cash equivalents at end of the year			<u>6,571,227</u>		<u>4,676,014</u>

EDUCATION PARTNERSHIP TRUST

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

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Land and buildings	0% and 2%
Computer equipment	25%
Fixtures, fittings & equipment	20%
Motor vehicles	20%

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 impairment losses in the statement of financial activities.

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

1.7 Leased assets

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

1.8 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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.

1.9 Taxation

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 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.

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 projected unit method. The 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 are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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.

Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2016 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 affect the carrying amount of the pension liability.

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase. These are disclosed above under the policy for tangible fixed assets and depreciation.

Impairment of fixed assets

At each balance sheet date, management undertakes an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, impairment is recorded as an impairment loss.

Critical areas of judgement

Classification and valuation of long leasehold land and buildings

All of the Trust's long leasehold land and buildings are held under a 125 year lease and are wholly used in the course of the school's business and are held within the school.

At the date of entry into the Trust, the long leasehold land and buildings in each school is measured at its fair value, which upon transition, has been interpreted as deemed cost. Subsequent purchases of land and buildings are initially measured at cost.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	474,183	474,183	242,876
Other donations	-	4,814	4,814	18,042
	-	478,997	478,997	260,918

The income from donations and capital grants was £478,997 (2021: £260,918) of which £4,814 was restricted (2021: £18,042) and £474,183 was restricted fixed assets (2021: £242,876).

4 Funding for the Trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	18,427,887	18,427,887	17,124,642
Other DfE/ESFA grants:				
- Pupil premium	-	825,508	825,508	797,067
- Others	-	1,258,224	1,258,224	1,177,624
	-	20,511,619	20,511,619	19,099,333
Other government grants				
Local authority grants	-	1,932,468	1,932,468	1,527,803
Special educational projects	-	-	-	14,761
	-	1,932,468	1,932,468	1,542,564
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	-	-	534,903
Other incoming resources	2,395,100	56,210	2,451,310	1,961,621
Total funding	2,395,100	22,500,297	24,895,397	23,138,421

The income from funding for educational operations was £24,895,397 (2021: £23,138,421) of which £2,395,100 was unrestricted (2021: £1,925,344) and £22,500,297 was restricted (2021: £21,213,077).

Coronavirus exceptional funding related to ESFA catch-up premium, which was fully expensed in the year.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	48,714	-	48,714	5,044

The income from other trading activities was £48,714 (2021: £5,044) of which £48,714 was unrestricted (2021: £5,044).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	624	-	624	439

The income from funding for investment income was £624 (2021: £439) of which £624 was unrestricted (2021: £439).

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	14,715,175	313,195	1,676,444	16,704,814	15,764,329
- Allocated support costs	3,592,955	3,951,954	766,269	8,311,178	7,782,168
	18,308,130	4,265,149	2,442,713	25,015,992	23,546,497

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	22,100	20,100
- Other services	8,450	7,675
Operating lease rentals	93,613	119,074
Depreciation of tangible fixed assets	1,703,697	1,638,442
Net interest on defined benefit pension liability	181,000	156,000

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Central services

The Trust has provided the following central services to its schools during the year:

- human resources;
- financial services;
- legal services;
- educational support services;
- management support; and
- others as arising.

The Trust charges for these services on the basis of 5% of GAG income.

The amounts charged during the year were as follows:

	2022 £	2021 £
The Heights Free School	116,750	106,325
Eden School	55,725	40,000
Pleckgate High School	385,383	352,766
Coal Clough Academy	115,557	109,187
The Heights Burnley	80,208	72,491
Atherton High	137,868	138,618
Burnley High	168,079	156,552
	<u>1,059,570</u>	<u>975,939</u>

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	1,998,600	14,706,214	16,704,814	15,764,329
Support costs				
Educational operations	445,838	7,865,340	8,311,178	7,782,168
	<u>2,444,438</u>	<u>22,571,554</u>	<u>25,015,992</u>	<u>23,546,497</u>

The expenditure on charitable activities was £25,015,992 (2021: £23,546,497) of which £2,444,438 was unrestricted (2021: £1,930,827), £20,867,857 was restricted (2021: £19,977,228) and £1,703,697 was restricted fixed assets (2021: £1,638,442).

	2022 £	2021 £
Analysis of support costs		
Support staff costs	3,592,955	3,409,521
Depreciation	1,390,502	1,388,385
Premises costs	2,496,117	2,325,535
Legal costs	37,919	105,350
Other support costs	755,067	523,494
Governance costs	38,618	29,883
	<u>8,311,178</u>	<u>7,782,168</u>

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	12,763,490	12,404,789
Social security costs	1,214,733	1,106,791
Pension costs	3,382,129	3,343,546
Staff costs - employees	17,360,352	16,855,126
Agency staff costs	918,637	600,235
Staff restructuring costs	29,141	105,897
Total staff expenditure	18,308,130	17,561,258

Staff restructuring costs comprise:

Redundancy payments	9,000	-
Severance payments	20,141	105,897
	29,141	105,897

Severance payments

The Trust paid 4 severance payments in the year, disclosed in the following bands:

0 - £25,000	4
-------------	---

Staff numbers

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

	2022 Number	2021 Number
Teachers	168	164
Administration and support	222	216
Management	27	32
	417	412

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	163	158
Administration and support	174	168
Management	27	32
	<u>364</u>	<u>358</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	4	4
£70,001 - £80,000	9	7
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£110,001 - £120,000	2	2
	<u>16</u>	<u>14</u>

Key management personnel

The key management personnel of the Trust comprise the Directors and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,131,536 (2021: £1,082,883).

11 Directors' remuneration and expenses

One or more Directors have been paid remuneration or have received other benefits from employment with the academy trust. The principal and other staff directors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the academy trust in respect of their role as directors.

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

S Roscoe - Chief Executive Officer and Accounting Officer:

Remuneration - £115,001 - £120,000 (2021: £115,001 - £120,000)

Employers' pension contribution - £15,001 - £20,000 (2021: £15,001 - £20,000)

During the year no travel and subsistence expenses were reimbursed to the Directors (2021: £nil)

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Directors' and officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2m on any one claim and the cost for this insurance is not separately identifiable and is included in the total insurance costs.

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	50,576,365	1,710,735	640,126	32,645	52,959,871
Additions	489,566	213,799	98,768	3,375	805,508
At 31 August 2022	51,065,931	1,924,534	738,894	36,020	53,765,379
Depreciation					
At 1 September 2021	3,911,277	937,128	375,388	32,645	5,256,438
Charge for the year	1,302,477	313,195	87,409	616	1,703,697
At 31 August 2022	5,213,754	1,250,323	462,797	33,261	6,960,135
Net book value					
At 31 August 2022	45,852,177	674,211	276,097	2,759	46,805,244
At 31 August 2021	46,665,088	773,607	264,738	-	47,703,433

The net book value of land and buildings comprises:

	2022 £	2021 £
Long leaseholds (over 50 years)	45,852,177	46,665,088

14 Debtors

	2022 £	2021 £
Trade debtors	157,372	73,001
VAT recoverable	740,819	427,799
Other debtors	1,395	15,731
Prepayments and accrued income	589,439	455,893
	1,489,025	972,424

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	476,092	474,418
Other taxation and social security	305,870	286,083
ESFA creditors	120,637	172,703
Other creditors	333,125	312,267
Accruals and deferred income	789,015	396,383
	<u>2,024,739</u>	<u>1,641,854</u>

16 Deferred income

	2022 £	2021 £
Deferred income is included within: Creditors due within one year	<u>222,839</u>	<u>252,948</u>
Deferred income at 1 September 2021	252,948	-
Released from previous years	(252,948)	-
Resources deferred in the year	<u>222,839</u>	<u>252,948</u>
Deferred income at 31 August 2022	<u>222,839</u>	<u>252,948</u>

Deferred income relates to ESFA and Local authority funding received in advance for students requiring additional assistance for the following year.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	3,515,584	18,427,887	(16,067,633)	(533,040)	5,342,798
Pupil premium	-	825,508	(825,508)	-	-
Other DfE/ESFA grants	-	1,258,224	(1,258,224)	-	-
Other government grants	-	1,932,468	(1,932,468)	-	-
Other restricted funds	-	61,024	(61,024)	-	-
Pension reserve	(11,287,000)	-	(723,000)	9,735,000	(2,275,000)
	<u>(7,771,416)</u>	<u>22,505,111</u>	<u>(20,867,857)</u>	<u>9,201,960</u>	<u>3,067,798</u>
Restricted fixed asset funds					
Inherited on conversion	39,929,066	-	(1,230,012)	-	38,699,054
DfE group capital grants	6,039,420	474,183	(181,064)	(170,644)	6,161,895
Capital expenditure from GAG	1,734,947	-	(292,621)	703,684	2,146,010
	<u>47,703,433</u>	<u>474,183</u>	<u>(1,703,697)</u>	<u>533,040</u>	<u>47,006,959</u>
Total restricted funds	<u>39,932,017</u>	<u>22,979,294</u>	<u>(22,571,554)</u>	<u>9,735,000</u>	<u>50,074,757</u>
Unrestricted funds					
General funds	<u>491,000</u>	<u>2,444,438</u>	<u>(2,444,438)</u>	<u>-</u>	<u>491,000</u>
Total funds	<u>40,423,017</u>	<u>25,423,732</u>	<u>(25,015,992)</u>	<u>9,735,000</u>	<u>50,565,757</u>

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

General Annual Grant must be used for the normal running expenses of the Schools and under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other restricted general funds comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of the grant.

Restricted fixed assets fund includes assets transferred from the Local Authority and expenditure out of GAG and other capital grants. It also comprise any unspent capital grants and depreciation is charged against this fund.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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)	2,019,290	17,124,642	(15,197,751)	(430,597)	3,515,584
Pupil premium	-	797,067	(797,067)	-	-
Other DfE/ESFA COVID-19 funding	-	534,903	(534,903)	-	-
Other DfE/ESFA grants	-	1,177,624	(1,177,624)	-	-
Other government grants	-	1,542,564	(1,542,564)	-	-
Other restricted funds	-	54,319	(54,319)	-	-
Pension reserve	(9,243,000)	-	(673,000)	(1,371,000)	(11,287,000)
	<u>(7,223,710)</u>	<u>21,231,119</u>	<u>(19,977,228)</u>	<u>(1,801,597)</u>	<u>(7,771,416)</u>
Restricted fixed asset funds					
Inherited on conversion	41,159,078	-	(1,230,012)	-	39,929,066
DfE group capital grants	6,150,799	242,876	(187,312)	(166,943)	6,039,420
Capital expenditure from GAG	1,358,525	-	(221,118)	597,540	1,734,947
	<u>48,668,402</u>	<u>242,876</u>	<u>(1,638,442)</u>	<u>430,597</u>	<u>47,703,433</u>
Total restricted funds	<u>41,444,692</u>	<u>21,473,995</u>	<u>(21,615,670)</u>	<u>(1,371,000)</u>	<u>39,932,017</u>
Unrestricted funds					
General funds	<u>491,000</u>	<u>1,930,827</u>	<u>(1,930,827)</u>	<u>-</u>	<u>491,000</u>
Total funds	<u>41,935,692</u>	<u>23,404,822</u>	<u>(23,546,497)</u>	<u>(1,371,000)</u>	<u>40,423,017</u>

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

Total funds analysis by academy

	2022	2021
	£	£
Fund balances at 31 August 2022 were allocated as follows:		
The Heights Free School	1,562,489	1,183,923
Eden School	345,709	147,964
Pleckgate High School	839,794	529,815
Coal Clough Academy	534,423	221,517
The Heights Burnley	902,381	639,090
Atherton High	515,975	360,944
Burnley High	865,356	646,486
Central services	267,671	276,845
Total before fixed assets fund and pension reserve	5,833,798	4,006,584
Restricted fixed asset fund	47,006,959	47,703,433
Pension reserve	(2,275,000)	(11,287,000)
Total funds	<u>50,565,757</u>	<u>40,423,017</u>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£	£	£	£	£	£
The Heights Free School	1,552,163	247,945	121,382	250,786	2,172,276	1,910,485
Eden School	820,033	148,931	83,726	114,143	1,166,833	1,049,258
Pleckgate High School	5,255,631	769,438	290,167	1,640,664	7,955,900	7,591,393
Coal Clough Academy	1,677,604	235,987	165,947	184,925	2,264,463	2,717,271
The Heights Burnley	904,550	189,875	98,590	129,349	1,322,364	1,242,803
Atherton High	2,233,453	302,024	262,333	399,609	3,197,419	2,690,919
Burnley High	2,283,957	249,146	377,746	433,312	3,344,161	3,105,388
Central services	4,925	1,432,468	276,553	174,933	1,888,879	1,600,538
	14,732,316	3,575,814	1,676,444	3,327,721	23,312,295	21,908,055

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	46,805,244	46,805,244
Current assets	491,000	7,367,537	201,715	8,060,252
Current liabilities	-	(2,024,739)	-	(2,024,739)
Pension scheme liability	-	(2,275,000)	-	(2,275,000)
Total net assets	491,000	3,067,798	47,006,959	50,565,757

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	47,703,433	47,703,433
Current assets	491,000	5,157,438	-	5,648,438
Current liabilities	-	(1,641,854)	-	(1,641,854)
Pension scheme liability	-	(11,287,000)	-	(11,287,000)
Total net assets	491,000	(7,771,416)	47,703,433	40,423,017

19 Pension and similar obligations

The 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 Lancashire County Pension Fund and Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £285,779 were payable to the schemes at 31 August 2022 (2021: £277,975 and are included within creditors).

Teachers' Pension Scheme

Introduction

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

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

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,758,064 (2021: £1,694,185).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 10.7% to 20% for employers and 5.5% to 12.5% for employees.

In addition deficit contribution payments were also payable alongside the future service contributions. The annual deficit contribution amounts for the three year valuation period were 2017/18: £110,200, 2018/19: £114,200 and 2019/20: £118,600. Figures are currently not available for future years.

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.

Total contributions made	2022 £	2021 £
Employer's contributions	891,000	974,000
Employees' contributions	246,000	239,000
Total contributions	1,137,000	1,213,000

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	4.05	4.00
Rate of increase for pensions in payment/inflation	2.93	2.90
Discount rate for scheme liabilities	4.28	1.70
Inflation assumption (CPI)	2.8	2.80

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

	2022 Years	2021 Years
Retiring today		
- Males	21.3	21.5
- Females	24.1	24.2
Retiring in 20 years		
- Males	22.7	22.9
- Females	26.0	26.2

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022 £	2021 £
Discount rate + 0.1%	(293,000)	(469,000)
Discount rate - 0.1%	299,000	479,000
Mortality assumption + 1 year	277,000	662,000
Mortality assumption - 1 year	(272,000)	(644,000)
CPI rate + 0.1%	300,000	476,000
CPI rate - 0.1%	(294,000)	(466,000)

Defined benefit pension scheme net liability	2022 £	2021 £
Scheme assets	11,094,000	9,351,000
Scheme obligations	(13,369,000)	(20,638,000)
Net liability	(2,275,000)	(11,287,000)

The share of the year end position attributable to Atherton High School has been reduced to nil in light of it being in an asset position of £319,000. This approach was considered prudent given the School does not have an unconditional right to recover the asset at the year end.

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

The Trust's share of the assets in the scheme

	2022 Fair value £	2021 Fair value £
Equities	5,473,000	4,921,000
Other bonds	592,000	590,000
Cash	247,000	244,000
Property	1,188,000	906,000
Other assets	3,594,000	2,690,000
Total market value of assets	11,094,000	9,351,000

The actual return on scheme assets was £684,000 (2021: £1,127,000).

Amount recognised in the statement of financial activities

	2022 £	2021 £
Current service cost	1,412,000	1,213,000
Interest income	(168,000)	(138,000)
Interest cost	349,000	294,000
Benefit changes, curtailments and settlements gains or losses	-	257,000
Administration expenses	21,000	21,000
Total operating charge	1,614,000	1,647,000

Changes in the present value of defined benefit obligations

	2022 £	2021 £
At 1 September 2021	20,638,000	16,493,000
Current service cost	1,412,000	1,213,000
Interest cost	349,000	294,000
Employee contributions	246,000	239,000
Actuarial (gain)/loss	(9,219,000)	2,360,000
Benefits paid	(57,000)	(218,000)
Effect of non-routine settlements and administration expenses	-	257,000
At 31 August 2022	13,369,000	20,638,000

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Changes in the fair value of the Trust's share of scheme assets

	2022 £	2021 £
At 1 September 2021	9,351,000	7,250,000
Interest income	168,000	138,000
Actuarial gain	516,000	989,000
Employer contributions	891,000	974,000
Employee contributions	246,000	239,000
Benefits paid	(57,000)	(218,000)
Effect of non-routine settlements and administration expenses	(21,000)	(21,000)
At 31 August 2022	11,094,000	9,351,000

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

	Notes	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		407,740	(141,675)
Adjusted for:			
Capital grants from DfE and other capital income		(474,183)	(242,876)
Investment income receivable	6	(624)	(439)
Defined benefit pension costs less contributions payable	19	542,000	517,000
Defined benefit pension scheme finance cost	19	181,000	156,000
Depreciation of tangible fixed assets		1,703,697	1,638,442
(Increase)/decrease in debtors		(516,601)	497,996
Increase/(decrease) in creditors		382,885	(199,295)
Net cash provided by operating activities		2,225,914	2,225,153

21 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	4,676,014	1,895,213	6,571,227

EDUCATION PARTNERSHIP TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 Long-term commitments

Operating leases

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

	2022 £	2021 £
Amounts due within one year	1,166,936	1,109,698
Amounts due in two and five years	4,350,507	4,145,179
Amounts due after five years	10,733,227	10,256,113
	<u>16,250,670</u>	<u>15,510,990</u>

Included in the above is an annual PFI commitment for Pleckgate High School of £986,007 which will be indexed linked over the period of the commitment.

23 Related party transactions

Owing to the nature of the Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

J Holden is a Partner at Forbes Solicitors, during the year the Trust paid £36,726 (2021: £87,040) for legal services and £482 (2021: £2,716) was owed to the firm at the year end.

There were no related party transaction in the prior year.

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.