

Registered number: 09461655

Manor Hall Academy Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2022



DAINS
ACCOUNTANTS

Manor Hall Academy Trust
(A Company Limited by Guarantee)

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Manor Hall Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members

Mr J Glandfield
Mr G Gamble
Mr P Samani
Mrs C Pearson
Mr C Lilley

Trustees

Mr J Alexander, Chair of Trustees¹
Mr R Redgate, Chief Executive Officer and Accounting Officer
Mr J Edwards²
Mrs A Hughes²
Mrs J Johnson²
Mr J Fitchett¹
Mrs M Cheshire (appointed 13 October 2021)
Mr N Thornton¹
Mr S Smith¹
Mr S Bardon (resigned 20 July 2022)²
Mr J Glandfield (resigned 26 November 2022)^{1,2}

¹ Audit and Risk Committee

² Standards and Strategic Committee

Company registered number

09461655

Company name

Manor Hall Academy Trust

Principal and registered office

Manor Hall Academy Trust, Loxley Hall School, Stafford Road, Uttoxeter, Staffordshire, ST14 8RS

Company secretary

Mrs T Lawlor

Manor Hall Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details (continued)
For the Year Ended 31 August 2022

Senior management team

Mr R Redgate, Chief Executive Officer and Accounting Officer
Mr C Best, Deputy Chief Executive Officer
Mrs K Staples, Chief Business Development Officer
Mr P Spreadbury, School Improvement Manager
Mrs T Lawlor, Chief Financial Officer (resigned 30 September 2022)

Independent auditors

Dains Audit Limited, Suite 2, Albion House, 2 Etruria Office Village, Forge Lane, Stoke-on-Trent, ST1 5RQ

Bankers

Lloyds Bank PLC, 10 High Street, Cheadle, Stoke-on-Trent, ST10 1AF

Solicitors

J & G Marshall Ltd, PO Box 446, Altrincham, Cheshire, WA14 5WS

Trustees' Report
For the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' 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.

The Manor Hall Academy Trust (MHAT) operates the academies documented below. Its academies have a combined pupil capacity of 1,153 planned places and had a roll of 1,078 in the school census on Summer 2022.

Structure, governance and management

Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the MHAT. The constituent academies of the MHAT are:

- Cicely Haughton School
- Loxley Hall School
- Merryfields School
- The Meadows School
- Springfield School
- Rocklands School
- Chaselea Alternative Provision
- Shenstone Lodge School
- Castlewood School
- Bailey Street Alternative Provision
- Adelaide School
- Adelaide Heath Academy
- Finch Wood Academy

The Trustees of Manor Hall Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Manor Hall Academy Trust.

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

Members' liability

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

. Trustees' indemnities

The MHAT purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on MHAT business.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

Method of recruitment and appointment or election of Trustees

The management of the MHAT is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

The MHAT has followed DfE guidance and adopted the Academy Ambassadors recruitment recommendations to ensure that external expertise and challenge is brought to the Board. The appointment of new Trustees and Members is vetted by the Membership Committee, approved by Trustees and verified by Members.

Policies adopted for the induction and training of Trustees

All Trustees are provided with a Directors Induction and Information Pack and encouraged to undertake personal training in addition to courses organised for all Trustees, to ensure that they are up to date in their knowledge and able to carry out their roles effectively. For this accounting period a Directors Training Programme has been initiated encompassing 6 modules of training; for this period module 5, Finance for non-Finance Trustees, module 4, Stakeholder Engagement and Communication and module 2, Strategic Planning for Trustees has been completed. Trustees meet regularly both formally and informally with the CEO and members of school staff. They receive on a regular basis updated copies of policies and procedures and have an input into self evaluation, improvement and strategic planning.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

Organisational structure

Manor Hall Academy Trust's (MHAT) Board of Directors is accountable in law for all major decisions about all the schools within the Trust. However, this does not mean that the Board is required to carry out all the Trust's governance functions and many functions can and should be delegated elsewhere, including to the CEO and central team, the Board's committees, the Local Advisory Boards (LABs) and head teachers. This scheme of delegation is a record of the Board of Directors' decision to delegate functions within the governance structure of the trust.

The academies are as follows:

School Conversion Date/Type of School

Loxley Hall School	1 August 2015	Secondary
Cicely Haughton School	1 August 2015	Primary
The Meadows School	1 October 2016	Secondary and Sixth Form
Springfield School	1 October 2016	Primary
Merryfields School	1 February 2017	Primary
Rocklands School	1 April 2018	Primary
Chaselea PRU (sponsored)	1 June 2019	Alternative Provision
Shenstone Lodge School	1 July 2020	Junior and Senior
Castlewood School (re brokered)	1 Sept 2020	Secondary
Bailey Street Alternative Provision (sponsored)	1 Jan 2021	Alternative Provision
Adelaide School	1 May 2021	Year 5 to Year 11 and Sixth Form
Adelaide Heath School	1 May 2021	Secondary
Finch Woods Academy (sponsored)	1 May 2021	Secondary

All the above academies have joined the Academy MHAT's current Master Funding Agreement, operating under individual Supplementary Funding Agreements.

The MHAT Board

The MHAT Board and sub boards meet as often as is necessary and not less than 9 times in every academic year. The MHAT Board establishes a governance structure to achieve sufficient yet balanced oversight of leadership across the MHAT and determines membership, terms of reference and procedures of the LAB of each Academy. It closely monitors the activities of each LAB through minutes of their meetings and termly reports to the CEO.

The MHAT Board commissioned an independent external review of the Board of Trustees in Spring 2022. The review was very positive and gave the Board a clean bill of health "with no red flags". The action points contribute to the Governance Development Plan moving forwards.

The MHAT Board has three Committees which report to the full Board meetings. These are the Audit and Risk Committee (who meet at least three times a year) the Standards and Strategic Committee (who meet at least two times a year) and the Membership Committee who meet to decide upon making representations to the full Board regarding new Trustees or potential new Schools joining the Trust.

Academy management

Primary and Secondary; Junior and Senior Academies:

The management structure consists of two levels: the LAB and the Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. Leadership Teams comprise Executive Head teachers, Head teachers, Heads of School, Deputy/Assistant Heads of School and are supported by other staff within the school who have leadership responsibilities. The Headteacher is responsible for the day to day operation of their Academy, implementing the policies laid down by the Trustees and reporting back to them.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

Central Team

The MHAT supports each Academy through the Central Team. The Central Team has two functions: academy improvement and support services. The Central Team has wide ranging responsibilities across all academies for assuring and ensuring educational improvement; it also monitors and supports the work of the academies to ensure value for money and consistent practice in all areas such as procurement, finance and facilities. There is a service level and contracts agreement between the MHAT and the member schools documenting, roles and responsibilities and mutual expectations.

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the senior leadership team to comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the MHAT on a day to day basis. All Trustees give their time freely.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The arrangements for setting the pay and remuneration of the key management personnel of the MHAT are subject to the 'school teachers pay and conditions document and guidance on school teachers pay and conditions'. The determination of leadership pay is in line with the school group size and relevant scale points attributed to the group pay range.

Incremental rises are dependent upon the successful completion of the previous years' performance management cycle and quality assured by the Senior Leadership Team within each academy. Recommendations for pay increases are made by the Senior Leadership Team to the LAB and their decision is validated by the board of Trustees at the Autumn term meeting.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	-
Total pay bill	26,201,816
Percentage of 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	- %
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Related parties and other connected charities and organisations

There are no related parties other than those disclosed in note 33.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

Engagement with employees (including disabled persons)

Through its diversity policy, MHAT seeks to ensure that every employee, without exception, is treated fairly and that all employees are aware of their responsibilities. Our policies and procedures fully support our disabled colleagues. We take active measures to do so via:

- A robust reasonable adjustment policy
- Processes to ensure colleagues are fully supported.

MHAT is responsive to the needs of its employees. As such, should any employee of the trust become disabled during their time with us, we will actively make reasonable adjustments to their environment where possible, in order to keep the employee within the trust. It is the policy of the trust that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The academy trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

MHAT engages with its employees continuously and in a number of ways to suit their different working patterns. This includes:

- Line manager briefings MHAT owned meetings
- Headteachers Advisory Board meetings
- Whole staff briefings
- Communication forums held across the trust
- Online learning platform networking meetings

Details of the financial and economic factors affecting the performance of the trust are shared with all employees at the appropriate time using the methods listed above.

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

The MHAT engages with suppliers, customers and business stakeholders under the direction of the Procurement Policy to ensure that all financial and procurement requirements are adhered to.

This approach extends to the numerous Service Level Agreements that the MHAT has with its business partners which are reviewed in line with the guidance to achieve best value.

Regular account meetings are arranged between the relevant officers of the MHAT and business partners, to foster positive relationships to facilitate efficiencies and promote effectiveness, towards improving outcomes for schools and children.

The ethos of mutual respect as outlined in the value statement of the MHAT and the Trust code of conduct underpin MHAT interaction with business partners.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Objectives and activities

Objects and aims

The MHAT was incorporated in September 2015 as a Multi Academy Trust and is a company limited by guarantee and exempt charity. The commitment of the MHAT is working together, within a community based on mutual respect. The MHAT has recently adapted its School Improvement Strategy and Organisational structure to accommodate sponsored schools, enabling a more bespoke level of support and service related to developmental needs.

The defining feature of the MHAT is that it is a Special Schools and Alternative Provision MAT serving the needs of vulnerable learners. This means that the work of the MHAT is driven by the distinctive needs of Special Schools and vulnerable learners. Whilst the MHAT has robust systems for accountability, each academy has their own distinctive culture.

The MHAT is a Collaborative Educational MHAT, with all academies being partners who contribute to school to school support and the sharing of good practice. This collaborative model offers the following features:

- Academies serving the needs of special school and Alternative Provision pupils
- Like minded, educationalists with similar visions, aspirations and high expectations for children.
- Academies within a practical geographical footprint.
- A Multi Academy Trust which is not mandated but can evolve organically, empowering schools to have a voice on developments and in shaping the future.
- A model of governance which enables academies to have a sense of belonging and of being valued.
- A Scheme of Delegation which supports autonomy for good/outstanding academies.

Our Vision/Our Values

An ethos of learning, achieving and caring is at the heart of everything we do. All academies in the MHAT, strive to provide a learning environment, where pupils can make the best possible progress in all aspects of their lives. This is achieved through a relevant and engaging curriculum, high expectations and quality teaching.

Our work is underpinned by the following core aims:

- To provide a happy and secure environment for learning, providing for the individual needs of all children, enabling them to reach their potential.
- To have high expectations for all children, in all aspects of their development.
- To provide opportunities for children to achieve success; this is frequently celebrated and enhanced through a wide range of experiences and activities.
- To provide holistic care, support and guidance in partnership with parents/carers and inter agency co operation.
- To prepare children for their next stage of learning and to be as independent as possible.
- To promote the building of relationships with peers and staff, good manners and mutual respect.

Our Mission— Building Relationships, Celebrating Success, Promoting Progress and Independence

We want children to:

- Be the best they can
- Enjoy school
- Be independent as possible, resilient and respectful of self and others
- Be happy and confident
- Feel safe and secure
- Build relationships with peers and adults
- Be ready for their next life stage

Trustees' Report (continued)
For the Year Ended 31 August 2022

Objectives and activities (continued)

Our Ambition

The MHAT is a growing Multi Academy Trust. The strength of the MHAT and its distinctive feature is that it is a Collaborative Educational Trust between Special Schools and Alternative Provision Schools who meet a range of needs. Schools, working together with the same values create secure foundations for the future. Historically, the special school sector has been a strength in Staffordshire. This was in no small part down to how special schools worked together in collaboration. We believe this strength is something we cannot lose and that special schools share common problems and issues which require similar solutions. In the future, the growth of the MHAT and its Special School and Alternative Provision membership can only be to the benefit of the individual schools and most importantly the children and young adults. We also recognise that historic boundaries are gradually disappearing and we now have schools in the MHAT from neighbouring Local Authorities.

As a Multi Academy Trust, all academy leaders sit on the Headteachers Advisory Board, reporting to the CEO and to the MHAT Board of Trustees. Therefore, all academies have an influence on MHAT developments and a voice in shaping the future. Academies within the MHAT have leadership from likeminded Headteachers, who have shared values, beliefs and high expectations and aspirations for children and young adults.

All of the initial academy schools in MHAT are willing partners who have actively chosen to join us. Therefore, there is a high degree of commitment, cooperation and consensus from within the member academies. MHAT has in June 2019, taken on sponsorship status to support best fit schools who have had a conversion order imposed upon them by the Regional Schools Commissioner. MHAT now sponsors 4 academies.

The MHAT is outward looking. We believe we have a responsibility to all pupils not just those in our immediate care. Our schools work pro actively in their localities with many mainstream schools. MHAT works to support vulnerable pupils in the continuum of inclusion working with the Local Authority and a District primary school to set up a Resource Base for early intervention strategies for mainstream primary children, whose learning barriers are causing the mainstream school challenges and concerns; this initiative is managed by our primary SEMH school under the governance structure of MHAT. Simultaneously, MHAT is working in co production and collaboration with the LA in SEND Transformation activities, using the expertise of our special schools to provide outreach specialist support to pupils as early intervention strategies.

The MHAT is inclusive, forward thinking and innovative. MHAT is heavily involved with SEND Transformation and sees it's civic responsibilities in improving outcomes for vulnerable learners in mainstream schools through outreach and early intervention projects. MHAT is committed to creating new school provision to meet emerging needs through a successful Special Free School bid in Stoke on Trent.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Objectives and activities (continued)

Objectives, strategies and activities

The MHAT has clear strategic aims built on our mission and values. The main objectives for the period were:

1. Ensuring a financially sustainable and viable Trust, aspiring to a coherent approach which aligns vision and mission with school improvement strategy and the business model
2. To trial a Hub model of operation for the finance and business function of the MHAT
3. To ensure that all MHAT pupils receive at least a good standard of education and that sponsored schools are making progress towards this expectation.
4. A period of consolidation and pause on growth for at least 12 months.
5. Trial the Associate Membership prototype for entry to MHAT for potential new schools ready for 2021/22
6. Working with partners and the Local Authority to improve outcomes for children within the continuum of Inclusion Mainstream Support, Resource Bases, Alternative Provision, SEND Transformation; civil leadership commitment
7. To oversee succession planning for Directors (recruitment / training)
8. Deliver the pre opening phases of the Stoke Free School
9. To advocate and lobby on behalf of our Residential Special Schools towards protecting the curriculum offer of residential education
10. To work towards securing a better input from Health, Care and Psychological services towards the developmental needs and wellbeing of our children.

The MHAT is committed to employment policies which follow best practice based on equal opportunities for all employees irrespective of sex, race, colour, disability or marital status. The MHAT gives full and fair consideration to applications for employment from disabled persons have regard to the particular aptitudes and abilities.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing MHAT aims and objectives and in planning future activities for the period. The Trustees consider that MHAT can clearly demonstrate that its aims are to advance education for public benefit.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report

Achievements and performance

Structure

The CEO with the Chief Financial Officer, provide a comprehensive full report to the Trustees at least 9 times per year and works closely with senior leaders through various forums to increase the levels of accountability for pupil progress achievement and standards.

The CEO receives termly Local Advisory Board reports from head teachers. These reports are consolidated and fed into the Trustees' report enabling information and performance data to be scrutinised by Trustees. This enables Trustees to have a broad understanding of current performance indicators ensuring challenging and robust governance. Relevant Trustees' information is cascaded to head teachers through the Head Teachers Advisory Board. This process also enables senior leaders of academies to have an understanding of the wider MHAT strategies and business implications, enhancing the values and vision of the MHAT.

Local Advisory Board Chairs meet with Trustees once a year in a formal arena.

Operational Plan

The Board of Trustees receive a termly report from the CEO which details progress against the MHAT key performance indicators and MHAT function development plans and MHAT risk register. This is risk assessed and progress is evaluated by the Board.

This report includes business updates and potential growth developments in terms of other schools demonstrating a desire to join MHAT. Due diligence reports and Strength, Weaknesses, Opportunities and Threats (SWOT) Analysis reports are received by Trustees and potential schools evaluated.

Oakfield Lodge Pupil Referral Unit had an Associate Membership contract with MHAT.

MHAT successfully achieved a Trust Capacity Funding Grant for the period.

Self-Evaluation

The strengths and weaknesses of the MHAT are an agenda item at all sub meetings and termly Board meetings including the monitoring and evaluation of the MHAT risk register. Continual review of MHAT strategy and operating model and adoptions in advance of potential breaking points is a keen focus of the Board. This includes evaluation against the development plan, key performance indicators and business priorities. The MHAT is in a period of growth consolidation as negotiated with the RSC. MHAT aspires to have a coherent approach, which aligns vision and mission with school improvement strategy and operating models.

Staffing

As the MHAT has grown beyond its founder members Trustees have understood the need to establish a sustainable staffing structure to manage the MHAT and increase capacity to support academies effectively. The central team now consists of a CEO, CBDO, CFO, Senior Finance Officer (0.8), 4 Finance and Administration Officers, School Improvement Manager (0.5), Strategic Development Manager (0.2) and Estates Support (casual 0.2). Succession planning for senior roles within the central team have been actioned and managed through a mentoring process.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Achievements and performance (continued)

Key performance indicators

Key Performance Indicator	Narrative of Self-Evaluation
<p>Finance and Business: Monitor the financial position of the Trust to ensure it remains sustainable</p> <p>To consider how the Trust can better use reserves, fairly and transparently, to support school projects to promote aspirational school improvement</p>	<p>The actions related to the desired outcomes have been completed and measured against the success criteria. Involvement in the Special School SRMA project has been pursued by the <u>Trust</u> but the initiative has not been followed up by the ESFA.</p> <p>A new Reserves Policy has been developed for 2022/23 taking into account the new School Condition Allocation Grant and how this capital funding is allocated against reserves.</p>
<p>Standards and Performance: To enable directors to have an improved view of schools' performance, to facilitate support and challenge</p>	<p>Directors, (through the Standards and Performance Committee), have been provided with an improved view of the performance of individual schools and the interventions planned to support the delivery of excellent education. This has been achieved through the re-designed consolidated data dashboard and the School Improvement Managers (SIM) termly report to Directors.</p>
<p>Governance: To work with Directors to improve the standards of governance in the Board of Directors and facilitate succession planning</p>	<p>The quality of governance has been substantiated through the re-constitution of the Committees, placing Directors in their relevant skills set and the recruitment of new Directors in line with the analysis of the NGA skills audit. Simultaneously, there has been completion of 3 modules of the Trustee Development Programme in 2021/22.</p> <p>MHAT commissioned an external independent review of the Board of Directors and received a clean bill of health and some recommendations for further improvement; including improved induction and suggestions for improved connectivity with Local Advisory Boards.</p> <p>Succession planning has begun to take place, with a new vice chair and a clear vision of recruitment and timelines for change.</p>
<p>Strategy and Growth: That succession planning remains at the forefront of Directors attention. (CEO, CFO, CSBO, SIM, DCEO).</p>	<p>Succession planning features as an agenda item on all Directors meetings and there is now a succession planning committee of Directors, who now meet on a termly basis. Models of succession have been investigated and debated within the SPC and 3 potential models have been suggested. A generic timeline of events and actions have been explored and specifics will be introduced to Directors at the strategic workshop in Autumn.</p> <p>Contingency modelling has been completed with a platform supporting business continuity within the central team.</p> <p>There has been the successful recruitment of a new CFO and a potential re-structure developing a COO post with a view to re-structuring central team tasks and responsibilities.</p>

Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Achievements and performance (continued)

The CEO provides the board of Trustees with comprehensive evaluation of each academy's performance, comprising of a summary of each academy Local Advisory Board head teacher's report. This report includes progress and performance data, achievement against targets and relevant documentation and information to enable Trustees to make informed evaluations of each academy's performance.

Four of our academies have been subject to an Ofsted inspection since their conversions. Most recent Ofsted inspections of the academies are as follows:

Cicely Haughton School Inspection: Outstanding (February 2018).
Cicely Haughton Residential Inspection: Outstanding (February 2020).
Loxley Hall School Inspection: Good (June 2018).
Loxley Hall Residential Inspection: Outstanding (June 2020).
The Meadows School Inspection: Good (September 2019).
Merryfields School Inspection: Good (January 2020).
Springfield School Inspection: Good (October 2022).
Rocklands School Inspection: Good (July 2022).

Going concern

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

Promoting the success of the company

The Directors of the MHAT act in a way most likely to promote the success of the Trust. The growth strategy is based on the coherent alignment of business function, school improvement and recruitment of potential new members.

The fostering of good relationships between members and stakeholders sits at the very centre of the MHAT ethos, values and mission. Collaboration and co-production between members and stakeholders help the Trust to future proof its existence and deliver educational services to vulnerable learners. This business model helps to deliver services to vulnerable children both in our schools and the wider community by fostering inclusive practices.

School improvement is the principle business objective by which the Trust is judged against. Therefore, processes, systems and practices support high expectations in providing vulnerable children with the best possible educational opportunities they deserve.

The MHAT insists on high standards of conduct by all employees. This expectation is underpinned by Trust Policies and a Code of Conduct built on mutual respect.

The wellbeing and positive mental health of all employees is of paramount importance to MHAT in the protection of its most valuable resources. Wellbeing and work life balance is monitored by Local Academy Boards through Directors delegated powers. Specifically, this task is performed by the Local Academy Boards' Wellbeing Committees.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Financial review

The MHAT's key sources of funding are the General Annual Grant (GAG) from the Education and Skills Funding Agency and the top up funding from the local authority. Funding from the ESFA and local authority is shown as restricted funds in the Statement of Financial Activities. The analysis of the specific grants received can be seen within note 3 to the financial statements.

During the year to 31 August 2022, the Academy MHAT received GAG of £10,820,000 and local authority top up funding of £14,612,975 in addition to other income sources.

The MHAT also receives capital grants from the ESFA. These include School Condition Allocation (SCA) and Devolved Formula Capital (DFC) grants. These grants are included within the Statement of Financial Activities in the restricted fixed asset fund column. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned. During the year to 31 August 2022, the MHAT received total capital grant income of £788,925.

The excess of income over expenditure for the period (excluding the movement in the pension reserve balances and restricted fixed asset fund) was £225,955.

Reserves policy

The Trustees will review the reserve levels annually. The review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of each Academy, the uncertainty over future income streams and other key risks identified during the risk review. The Trustees will determine an appropriate level of free reserves to provide sufficient working capital to cover delays between spending and receipt of grants.

Reserves of the Trust remain in excess of 5% of income. The Reserves Policy was reviewed by Directors and remains at a minimum of 5%.

Current reserves at 31 August 2022 amount to £6,971,336 (excluding the pension reserve and restricted fixed asset fund).

Investment policy

The MHAT's policy is to monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and creditor payments). The current account has adequate balances to meet forthcoming commitments. Currently the MHAT is reviewing short term accessible deposit accounts for investment of surplus funds.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Principal risks and uncertainties

The principal risks and uncertainties facing the MHAT are as follows:

Financially the MHAT has considerable reliance on continued Government funding through the ESFA and Local Authorities. In the last year 98% of the MHAT's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management to manage the risk in this area arises from potential failure to effectively manage the MHAT's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Safeguarding and child protection - the Trustees and Local Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

The success of each Academy is reliant on the quality of its staff and so the Trustees and Local Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

The deficit on the Local Government Pension Scheme of £8,120,000 presents a concern. However, Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that in the event of academy closure, the local government pension scheme liability would be met by the Department for Education. This guarantee came into force on 18 July 2013.

Fundraising

The MHAT carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The MHAT is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the MHAT's complaints procedure.

Streamlined energy and carbon reporting

		Dates	
		FY22 (Sep21-Aug22)	FY21 (Sep20-Aug21)
Energy Consumption (kWh)	Gas (Scope 1)	2,343,000	3,020,834
	Other Fuels (Scope 1)	588,502	507,481
	Electricity (Scope 2)	1,285,815	1,125,461
	Transport Fuel (Scope 1 - Company Fleet)	167,659	38,416
	Transport Fuel (Scope 3 - Grey Fleet)	1,165,336	3,007
	Total	5,550,312	4,692,192
Emissions (tCO ₂ e)	Gas (Scope 1)	428	553
	Other Fuels (Scope 1)	151	117
	Electricity (Scope 2)	249	239
	Electricity (Scope 3)	23	
	Transport Fuel (Scope 1 - Company Fleet)	40	9
	Transport Fuel (Scope 3 - Grey Fleet)	275	1
	Total (All Scopes)	1,165	919

Streamlined energy and carbon reporting (continued)

Intensity Ratio	<p>Due to the nature of the business of Manor Hall, the intensity metric of tonnes CO2e / pupil chosen.</p> <table> <tr> <th data-bbox="703 611 927 645">Current reporting</th><th data-bbox="1098 611 1257 645">Comparison</th></tr> <tr> <th data-bbox="703 678 863 712">year 2021-22</th><th data-bbox="1098 678 1294 712">Year 2020-2021</th></tr> <tr> <td data-bbox="400 745 847 779">Normalisation Metric: 1078 pupils</td><td data-bbox="1098 745 1246 779">1024 pupils</td></tr> <tr> <td data-bbox="400 813 767 846">Intensity Ratio: 1.080</td><td data-bbox="1098 813 1166 846">0.898</td></tr> </table>	Current reporting	Comparison	year 2021-22	Year 2020-2021	Normalisation Metric: 1078 pupils	1024 pupils	Intensity Ratio: 1.080	0.898
Current reporting	Comparison								
year 2021-22	Year 2020-2021								
Normalisation Metric: 1078 pupils	1024 pupils								
Intensity Ratio: 1.080	0.898								
Methodology	<p>Methodology follows best practise and is based on HM Government Environmental Reporting Guidelines March 2019.</p> <p>All emissions factors are taken from <u>UK</u> Government GHG Conversion Factors for Company Reporting, version 1.0, 2022 factors.</p> <p>Scope 1 and Scope 2 consumption data (gas and electricity) taken from validated and verified Utility Suppliers invoices.</p> <p>Scope 1 and 3 (transport) data taken from internal tracking systems, and applicable emissions factors applied; Company fleet classed as scope 1 emissions as defined in HM Government Environmental Reporting Guidelines March 2019. Please note that this <u>years</u> calculation are inclusive of T&D (scope 3).</p>								

Trustees' Report (continued)
For the Year Ended 31 August 2022

Plans for future periods

The Manor Hall Academy Trust Board have agreed key business strategic aims which will drive and shape the growth of the Trust in the immediate future. These are:

1. Ensuring a financially sustainable and viable Trust, aspiring to a coherent approach which aligns vision and mission with the Strategy for School Improvement and a centralising finance and business model; ensure there is capacity and sufficiency in the system
2. To monitor, evaluate and review the Hub model as a medium for growth and the delivery of the MHAT vision towards aspirational school improvement and excellent education
3. To regularly review the Strategy for School Improvement and Organisational/Operational structure to deliver the MHAT vision for aspirational school improvement and excellent education
4. To ensure that all MHAT pupils receive at least a good standard of education and that sponsored schools are making progress towards this expectation.
5. To continue to aspire to and explore the inclusion of mainstream primary schools into MHAT (now a White Paper aspiration) and use the Associate Membership model for entry to MHAT for potential new schools; as a vehicle for mutual due diligence
6. To pursue the membership of Good/Outstanding Staffordshire special schools to strengthen the pursuit of outstanding outcomes for SEND children.
7. Future proofing, by working with Local Authorities to deliver their planned places commissioning strategy and exercising our civic responsibilities, by improving outcomes for mainstream children within the continuum of inclusion and SEND. Positioning the MHAT strategically for the outcomes of the Green Paper, dovetailed to the current White Paper (Levelling Up)
8. To oversee succession planning for Directors (recruitment / training), to maintain excellent governance
9. To oversee contingency and succession planning for the senior central team roles and school improvement partners, to ensure the maintenance of expertise and effectiveness
10. To be involved in emerging needs through Free Schools
11. To advocate and lobby on behalf of our Residential Special Schools, towards protecting the curriculum offer of residential education
12. To work towards securing a better input from Health, Care and Psychological services, towards the developmental needs and wellbeing of our children.

The Trust has a range of strategic and development plans and documents which support the strategic aims and objectives:

- MHAT Governance Structure Overview
- MHAT External Independent Directors Review
- SRMA Inspection Report
- MAT Assurance Framework
- White Paper/Green Paper Summary documents relating to MHAT considerations
- MAT Key Performance Indicators in: Finance, Governance, Standards and Performance, Strategy and Growth
- MHAT Development Plans
- MHAT Integrated School Improvement Objectives
- MHAT Schedule of Business Tasks
- MHAT Hub Growth Documents
- MHAT Strategy for Schools Improvement
- MHAT Operational/Organisational Structure
- MAT Finance and Business Review of School Administrative Functions
- Financial Health Audit
- Growth Audit
- School Self-Evaluation informing MAT wide Improvement Objectives
- Leadership performance management objectives.

The above are underpinned by regularly reviewed policies, procedures and risk register.

Trustees' Report (continued)
For the Year Ended 31 August 2022

Funds held as custodian on behalf of others

The Trust do not hold any funds on behalf of any other organisations.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2022 and signed on its behalf by:



Mr J Alexander
Chair of Trustees

Governance Statement

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. At Committee level the Trustees have met 6 times.

Although the board has not met 6 times during the year, the trust believe the committees in place ensure that effective oversight of funds is maintained.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Alexander, Chair of Trustees	3	3
Mr R Redgate, Chief Executive Officer and Accounting Officer	3	3
Mr J Edwards	2	3
Mrs A Hughes	3	3
Mrs J Johnson	3	3
Mr J Fitchett	3	3
Mrs M Cheshire (appointed 13 October 2021)	3	3
Mr S Smith	2	3
Mr S Bardon (resigned 20 July 2022)	0	3
Mr J Glandfield (resigned 26 November 2022)	1	3
Mr N Thornton	2	3

Trustees have undertaken a review of governance arrangements, the roles of the Board of Trustees and delegated powers and structure during the last year. An external independent review assessment has indicated that the Board has functioned effectively over the year and developed a strategic vision for the MHAT and its expansion. This view is endorsed by MHAT Members.

Governance Statement (continued)

Governance (continued)

The Audit and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to plan and monitor the financial and other resources of the MHAT effectively, to ensure the academies provide a safe educational environment, and to ensure that the workforce across its academies is appropriate to their needs in terms of numbers and competence. One of the Committee's responsibilities is routine budget setting and monitoring.

Attendance during the year at meetings was as follows:

Committee member/non member*	Meetings attended	Out of a possible
Mr J Alexander	0	3
Mr J Fitchett	3	3
Mr S Smith	3	3
Mr N Thornton	3	3
Mr R Redgate*	3	3
Mr J Glandfield (resigned 26 November 2022)	0	3

The Standards and Strategic Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor educational standards across the academies, and to develop and implement core strategy and policy at MHAT level which can be applied across its academies.

Attendance during the year at meetings was as follows:

Committee member/non member*	Meetings attended	Out of a possible
Mr J Edwards	2	3
Mrs A Hughes	3	3
Mrs J Johnson	3	3
Mr R Redgate*	2	2
Mr S Bardon (resigned 20 July 2022)	0	2
Mr J Glandfield (resigned 26 November 2022)	0	3

Review of value for money

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

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

- Ensuring best value is robustly applied to all procurement
- Reviewing costs and exploring economies of scale in SLAs
- Purchasing licenses in 'bulk' to reduce additional costs to academies
- Sharing centrally employed personnel to reduce individual academy costs
- Ensuring salaries are locally and nationally benchmarked
- Ensuring financial review in each academy promotes best value and lean costing.

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of MHAT 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 MHAT for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Conflict of Interests

The Trust has in place a Conflict of Interests policy which details the expectations and processes through which the Trust manages any potential conflicts.

Conflict of Interest is an agenda item at the Trust School Office meetings, all Local Advisory Board Committee and Full Board Meetings and all Trustee Committee and Board Meetings.

Governance Review

Trustees have commissioned an independent external review of governance arrangements, as part of a wider programme of self-assessment and improvement. The external review was very positive substantiating internal judgements as to the effectiveness of the governance structure and the function of the Board.

- Overall, the Trust performs extremely well and is well-led. Directors and the CEO are joined up. The CEO is exceptional in understanding the sector and seeing where the Trust needs to be. Directors are highly skilled and fully supportive
- During the interviews with key staff and Directors, it became apparent that there is a willingness to make changes happen when needed, as all are committed to providing the best for the students they work with. This is vital, as without the full co-operation of all involved, it will be difficult to consider a plan for change/growth.
- MHAT should be applauded for increasing central team capacity whilst aligning with trust growth. This strategic strength will continue to serve MHAT moving forward
- Nothing red-flags in this Trust. The Trust is well placed to maintain performance and be a beacon of Special Education in the region and even further afield

An action plan from the external review will focus on the following for the next period:

- Succession planning
- White Paper implications and the use of an Associate Membership Contract
- Extension of Trustee Training
- Continuation of Centralisation
- Framework for Internal Review for 2022/23 (Standards and Track Record, People and Leadership, Financial Sustainability, Vision and Growth Plan, Risk Mitigation)

Capacity to handle risk

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

Governance Statement (continued)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and decided to appoint Deans Accountants, to carry out internal system checks in the 2021/22 financial year.

In addition, a member of the central team also visited each academy to: review monthly management account information; to help ensure staff understand processes and procedures; and to monitor that these processes and procedures were being carried out correctly.

On an annual basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

- Financial Procedures
- Payroll
- Purchasing
- Income

Governance Statement (continued)

The risk and control framework (continued)

On an annual basis, the reviewer reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the reviewer 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 reviewer have delivered their schedule of work as planned during the year.

Review of effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 14 December 2022 and signed on their behalf by:



Mr J Alexander
Chair of Trustees



Mr R Redgate
Accounting Officer


Manor Hall Academy Trust
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

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

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



Mr R Redgate
Accounting Officer
Date: 14 December 2022

Statement of Trustees' responsibilities
For the Year Ended 31 August 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Mr J Alexander
Chair of Trustees

Date: 14 December 2022

Independent Auditors' Report on the financial statements to the Members of Manor Hall Academy Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditors' Report on the financial statements to the Members of Manor Hall Academy Trust (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditors' Report on the financial statements to the Members of Manor Hall Academy Trust (continued)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

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

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Independent Auditors' Report on the financial statements to the Members of Manor Hall Academy Trust (continued)

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


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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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



Jonathan Dudley (Senior Statutory Auditor)

for and on behalf of

Dains Audit Limited

Statutory Auditor

Chartered Accountants

Suite 2, Albion House

2 Etruria Office Village

Forge Lane

Stoke-on-Trent

ST1 5RQ

14 December 2022

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

In accordance with the terms of our engagement letter dated 7 October 2022 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 Manor Hall Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Manor Hall Academy Trust's funding agreement with the Secretary of State for Education dated 25 July 2015 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 year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

Manor Hall Academy Trust
(A Company Limited by Guarantee)

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

Conclusion

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

Dains Audit Limited

Dains Audit Limited

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke-on-Trent
ST1 5RQ

Date: *14 December 2022*

Manor Hall Academy Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		-	-	-	-	2,386,779
Transfer of existing academies		-	-	-	-	9,273,099
Other donations and capital grants		101,186	-	888,925	990,111	311,651
Other trading activities	6	414,632	-	-	414,632	259,701
Investments	7	4,349	-	-	4,349	1,629
Charitable activities:	4					
academy trust educational operations		58,588	27,941,368	-	27,999,956	22,493,000
Provision of boarding activities		-	1,033,657	-	1,033,657	1,026,696
Total income		578,755	28,975,025	888,925	30,442,705	35,752,555
Expenditure on:						
Raising funds	8	350,998	-	-	350,998	185,892
Charitable activities:	9					
academy trust educational operations		14,733	30,273,210	1,241,022	31,528,965	23,362,516
Provision of boarding activities		-	1,038,414	-	1,038,414	1,046,601
Total expenditure	8	365,731	31,311,624	1,241,022	32,918,377	24,595,009

Mañor Hall Academy Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the Year Ended 31 August 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Net income/ (expenditure)		213,024	(2,336,599)	(352,097)	(2,475,672)	11,157,546
Transfers between funds	21	-	(832,470)	832,470	-	-
Net movement in funds before other recognised gains/(losses)		<u>213,024</u>	<u>(3,169,069)</u>	<u>480,373</u>	<u>(2,475,672)</u>	<u>11,157,546</u>
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	29	-	25,385,000	-	25,385,000	(5,694,000)
Net movement in funds		<u>213,024</u>	<u>22,215,931</u>	<u>480,373</u>	<u>22,909,328</u>	<u>5,463,546</u>
Reconciliation of funds:						
Total funds brought forward		2,212,493	(25,790,112)	54,604,372	31,026,753	25,563,207
Net movement in funds		213,024	22,215,931	480,373	22,909,328	5,463,546
Total funds carried forward		<u>2,425,517</u>	<u>(3,574,181)</u>	<u>55,084,745</u>	<u>53,936,081</u>	<u>31,026,753</u>

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

The notes on pages 39 to 79 form part of these financial statements.

Manor Hall Academy Trust
(A Company Limited by Guarantee)

Balance Sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	15	-	2,166
Tangible assets	16	54,360,228	54,537,109
		<u>54,360,228</u>	<u>54,539,275</u>
Current assets			
Debtors	17	1,911,032	2,320,545
Investments	18	2,002,730	2,000,677
Cash at bank and in hand	26	7,456,467	5,441,407
		<u>11,370,229</u>	<u>9,762,629</u>
Creditors: amounts falling due within one year	19	(3,618,387)	(2,913,458)
Net current assets		<u>7,751,842</u>	<u>6,849,171</u>
Total assets less current liabilities		<u>62,112,070</u>	<u>61,388,446</u>
Creditors: amounts falling due after more than one year	20	(55,989)	(38,693)
Net assets excluding pension liability		<u>62,056,081</u>	<u>61,349,753</u>
Defined benefit pension scheme liability	29	(8,120,000)	(30,323,000)
Total net assets		<u><u>53,936,081</u></u>	<u><u>31,026,753</u></u>

Registered number: 09461655

Manor Hall Academy Trust
(A Company Limited by Guarantee)

Balance Sheet (continued)
As at 31 August 2022

	Note	2022 £	2021 £
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	21	55,084,745	54,604,372
Restricted income funds	21	4,545,819	4,532,888
Restricted funds excluding pension reserve	21	59,630,564	59,137,260
Pension reserve	21	(8,120,000)	(30,323,000)
Total restricted funds	21	51,510,564	28,814,260
Unrestricted income funds	21	2,425,517	2,212,493
Total funds		53,936,081	31,026,753

The financial statements on pages 34 to 79 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr J Alexander
Chair of Trustees
Date: 14 December 2022

The notes on pages 39 to 79 form part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	23	1,419,456	2,534,076
Cash flows from investing activities	25	571,198	(1,372,211)
Cash flows from financing activities	24	24,406	(14,698)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		2,015,060	1,147,167
Cash and cash equivalents at the beginning of the year		5,441,407	4,294,240
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	26, 27	7,456,467	5,441,407
		<hr/>	<hr/>

The notes on pages 39 to 79 form part of these financial statements

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 of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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.

Manor Hall Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Expenditure on raising funds**

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.4 Expenditure (continued)

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Intangible assets

Intangible assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	- 33 % straight line
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1.7 Tangible fixed assets

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold land	- 125 years
Long-term leasehold property	- 50 years
Leasehold improvements	- 25 years
Fixtures and fittings	- 10% straight line
Motor vehicles	- 20% straight line
Computer equipment	- 33.3% straight line

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

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

1.8 Investments

Investments comprising short-term deposits that are stated at cost and repayable at 95 days notice. They are therefore included in the accounts as current assets.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and provisions

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.12 Taxation

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

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

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. 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.

1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1. Accounting policies (continued)

1.15 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to 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.

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

1.16 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Local Government Pension Scheme

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 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Leasehold land and buildings

The long term leasehold land and buildings within the accounts relates to the academy premises which were donated to the academy trust on a 125 year lease from Staffordshire County Council and Sandwell County Council. The leasehold land and buildings were valued using a professional valuation. These are being depreciated in accordance with the depreciation policies set out in note 1. No annual charge is made for the use of the land and buildings under the terms of the lease, based on management not being able to reliably measure the open market rate.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	101,186	-	100,000	201,186	53,965
Capital Grants	-	-	788,925	788,925	257,686
Transfer of existing academies	-	-	-	-	9,273,099
Transferred on conversion	-	-	-	-	2,386,779
	<u>101,186</u>	<u>-</u>	<u>888,925</u>	<u>990,111</u>	<u>11,971,529</u>
Total 2021	<u>673,144</u>	<u>(3,751,109)</u>	<u>15,049,494</u>	<u>11,971,529</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational Operations (excluding boarding activities)	58,588	27,941,368	27,999,956	22,493,000
Provision of boarding activities	-	1,033,657	1,033,657	1,026,696
	<u>58,588</u>	<u>28,975,025</u>	<u>29,033,613</u>	<u>23,519,696</u>
Total 2021	<u>41,527</u>	<u>23,478,169</u>	<u>23,519,696</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

5. Funding for the Academy's educational operations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DfE/ESFA grants				
General annual grant	-	10,820,000	10,820,000	8,832,786
Other DfE/ESFA grants				
Year 7 catch up funding	-	191,621	191,621	-
Teachers pension grant	-	526,939	526,939	373,534
Teachers pay grant	-	244,108	244,108	141,219
Universal infant free school meals	-	35,880	35,880	46,181
PE & Sports Grant	-	119,584	119,584	106,230
Pupil premium	-	554,728	554,728	517,788
Trust capacity fund	-	-	-	299,600
Looked after children	-	107,817	107,817	79,899
Other DfE/ESFA grants	-	329,223	329,223	37,038
	-	-	12,929,900	10,434,275
Other Government grants				
Local authority grants	-	14,612,975	14,612,975	11,439,837
Other government grants	-	373,587	373,587	210,653
	-	14,986,562	14,986,562	11,650,490
Other income from the academy trust's direct costs	58,588	16,162	74,750	41,735
COVID-19 additional funding (DfE/ESFA)				
Covid Catch Up Premium	-	-	-	208,090
	-	-	-	208,090
COVID-19 additional funding (non-DfE/ESFA)				
Covid Support	-	-	-	41,280
Mass Testing	-	8,744	8,744	117,130
	-	8,744	8,744	158,410
	58,588	27,941,368	27,999,956	22,493,000
Total 2021	41,527	22,451,473	22,493,000	

Notes to the Financial Statements
For the Year Ended 31 August 2022

6. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	2,055	2,055	-
Other income	183,035	183,035	167,772
Outreach support	229,542	229,542	91,929
	<u>414,632</u>	<u>414,632</u>	<u>259,701</u>
Total 2021	<u>259,701</u>	<u>259,701</u>	

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment Income	4,349	4,349	1,629
	<u>1,629</u>	<u>1,629</u>	
Total 2021	<u>1,629</u>	<u>1,629</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

8. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on fundraising trading activities:					
Direct costs	343,027	-	7,971	350,998	185,892
Educational operations					
Direct costs	21,611,267	-	1,688,116	23,299,383	17,039,652
Support costs	3,308,359	1,577,726	3,343,497	8,229,582	6,322,864
Provision of boarding activities					
Direct costs	761,022	3,496	3,581	768,099	936,394
Support costs	178,141	17,312	74,862	270,315	110,207
	<u>26,201,816</u>	<u>1,598,534</u>	<u>5,118,027</u>	<u>32,918,377</u>	<u>24,595,009</u>
Total 2021	<u>19,900,895</u>	<u>1,182,528</u>	<u>3,511,586</u>	<u>24,595,009</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	23,299,384	8,229,582	31,528,966	23,362,516
Provision of boarding activities	768,098	270,315	1,038,413	1,046,601
	<u>24,067,482</u>	<u>8,499,897</u>	<u>32,567,379</u>	<u>24,409,117</u>
Total 2021	<u>17,976,046</u>	<u>6,433,071</u>	<u>24,409,117</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational operations 2022 £	Provision of boarding activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	21,611,267	761,022	22,372,289	17,027,239
Educational supplies	373,815	-	373,815	233,431
Examination fees	469,932	-	469,932	225,420
Staff development	79,099	-	79,099	61,436
Technology costs	130,957	-	130,957	111,520
Consultancy	289,728	-	289,728	182,138
Other direct costs	262,774	7,077	269,851	96,407
Recruitment and other staff expenses	81,811	-	81,811	38,455
	<u>23,299,383</u>	<u>768,099</u>	<u>24,067,482</u>	<u>17,976,046</u>
Total 2021	<u>17,039,652</u>	<u>936,394</u>	<u>17,976,046</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2022 £	Provision of boarding activities 2022 £	Total funds 2022 £	Total funds 2021 £
LGPS net finance cost	526,000	-	526,000	362,000
Staff costs	3,308,359	178,141	3,486,500	2,700,075
Depreciation	1,241,022	-	1,241,022	1,027,143
Catering	221,651	-	221,651	164,529
Staff development and other staff costs	69,665	-	69,665	63,980
Technology costs	258,153	763	258,916	171,240
Consultancy	71,726	-	71,726	84,089
Other costs	535,506	74,099	609,605	480,938
Recruitment and support	-	-	-	753
Maintenance of premises	736,894	7,129	744,023	435,073
Cleaning and caretaking	199,884	-	199,884	178,563
Operating lease rentals	47,318	-	47,318	50,905
Security	22,329	-	22,329	17,048
Energy costs	357,689	10,183	367,872	262,729
Legal and professional	191,374	-	191,374	166,977
Transport	160,753	-	160,753	61,057
Other premises costs	281,259	-	281,259	205,972
	<u>8,229,582</u>	<u>270,315</u>	<u>8,499,897</u>	<u>6,433,071</u>
Total 2021	<u>6,322,864</u>	<u>110,207</u>	<u>6,433,071</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	59,092	52,520
Depreciation of tangible fixed assets	1,241,022	1,027,143
Fees paid to auditors for:		
- audit	25,500	25,350
- other services	4,500	4,000
	<u>25,500</u>	<u>25,350</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	16,947,497	13,489,921
Social security costs	1,645,707	1,236,363
Pension costs	6,686,224	4,663,235
	<u>25,279,428</u>	<u>19,389,519</u>
Agency staff costs	913,522	494,474
Staff restructuring costs	8,866	16,902
	<u>26,201,816</u>	<u>19,900,895</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Severance payments	8,866	16,902
	<u>8,866</u>	<u>16,902</u>

Notes to the Financial Statements
For the Year Ended 31 August 2022

11. Staff (continued)

b. Severance payments

The academy trust paid 1 severance payments in the year, disclosed in the following bands:

	2022 No.
£0 - £25,000	1

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £5,000 (2021: £16,902). Individually, the payments were £5,000 (2021 : £5,884, £9,000 and £2,018).

d. Staff numbers

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

	2022 No.	2021 No.
Teachers	155	105
Administration and support	419	354
Management	42	42
	<u>616</u>	<u>501</u>

e. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	11	12
In the band £70,001 - £80,000	8	6
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	1	1
In the band £130,001 - £140,000	-	1
In the band £150,001 - £160,000	1	-

11. Staff (continued)

f. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 2. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £652,713 (2021 - £620,916).

Notes to the Financial Statements
For the Year Ended 31 August 2022

12. Central services

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

- Central staff costs
- Finance
- HR
- Accounting and audit costs
- MAT website
- MAT IT

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

3.5% of General Annual Grant and Top Up Funding (based on prior year Top Up Funding).

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Cicely Haughton	45,948	41,188
Loxely Hall School	69,744	69,900
Merryfields School	80,280	70,710
Springfields School	43,428	43,205
The Meadows School	85,668	71,177
Rocklands School	72,864	72,071
Chaselea PRU	36,552	32,245
Shenstone Lodge	106,224	106,218
Adelaide School	77,580	23,800
Adelaide Heath Academy	46,658	19,797
Finch Woods Academy	66,529	21,913
Bailey Street	37,296	23,814
Castlewood School	80,411	78,317
Total	849,182	674,355

Notes to the Financial Statements
For the Year Ended 31 August 2022

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022 £	2021 £
Mr R Redgate, Chief Executive Officer and Accounting Officer	Remuneration	155,000 -	145,000 -
		160,000	150,000
	Pension contributions paid	40,000 -	35,000 -
		45,000	40,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

14. Trustees' and Officers' insurance

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

15. Intangible assets

	Computer software £
At 1 September 2021	2,166
Disposals	(2,166)
At 31 August 2022	-
Net book value	
At 31 August 2022	-
At 31 August 2021	2,166

Manor Hall Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

16. Tangible fixed assets

	Long-term leasehold property £	Leasehold improvements £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation							
At 1 September 2021	52,835,089	3,248,260	865,346	354,333	374,453	139,555	57,817,036
Additions	-	653,217	127,994	198,665	77,664	6,601	1,064,141
At 31 August 2022	52,835,089	3,901,477	993,340	552,998	452,117	146,156	58,881,177
Depreciation							
At 1 September 2021	2,788,345	195,961	-	74,081	146,769	74,771	3,279,927
Charge for the year	908,341	148,588	-	44,282	121,762	18,049	1,241,022
At 31 August 2022	3,696,686	344,549	-	118,363	268,531	92,820	4,520,949
Net book value							
At 31 August 2022	49,138,403	3,556,928	993,340	434,635	183,586	53,336	54,360,228
At 31 August 2021	50,046,744	3,052,299	865,346	280,252	227,684	64,784	54,537,109

Notes to the Financial Statements
For the Year Ended 31 August 2022

17. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	691,137	464,862
Other debtors	2,782	3,559
Prepayments and accrued income	966,947	1,629,132
VAT recoverable	250,166	222,992
	<u>1,911,032</u>	<u>2,320,545</u>

18. Current asset investments

	2022	2021
	£	£
Unlisted investments (liquid)	<u>2,002,730</u>	<u>2,000,677</u>

Notes to the Financial Statements
For the Year Ended 31 August 2022

19. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	21,807	14,697
Trade creditors	675,046	711,750
Other taxation and social security	490,045	377,967
Other creditors	628,093	573,894
Accruals and deferred income	1,803,396	1,235,150
	<u>3,618,387</u>	<u>2,913,458</u>
	2022 £	2021 £
Deferred income at 1 September	806,122	250,368
Resources deferred during the year	1,023,518	806,122
Amounts released from previous periods	(806,122)	(250,368)
	<u>1,023,518</u>	<u>806,122</u>

Deferred income relates to grants and trading income relating to 2022/23 which was received prior to the year end.

Included within other loans are salix loans totalling £10,996 which are interest free loans repayable in fixed instalments over 8 years, starting September 2015.

Also included within other loans is a salix loans totaling £3,701 which is an interest free loan repayable in fixed instalments over 8 years, starting March 2021.

Also included within other loans is a salix loans totaling £7,110 which is an interest free loan repayable in fixed instalments over 6 years, starting March 2022.

Notes to the Financial Statements
For the Year Ended 31 August 2022

20. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	<u>55,989</u>	<u>38,693</u>

Included within other loans are salix loans totalling £5,498 which are interest free loans repayable in fixed instalments over 8 years, starting September 2015.

Also included within other loans is a salix loans totaling £18,505 which is an interest free loan repayable in fixed instalments over 8 years, starting March 2021.

Also included within other loans is a salix loans totaling £31,986 which is an interest free loan repayable in fixed instalments over 6 years, starting March 2022.

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Other loans	<u>16,309</u>	<u>14,690</u>
Between two and five years		
Other loans	<u>32,432</u>	<u>16,601</u>
Over five years		
Other loans	<u>7,248</u>	<u>7,402</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022 £	2021 £
Payable or repayable by instalments	<u>7,248</u>	<u>7,402</u>
	<u>7,248</u>	<u>7,402</u>

Manor Hall Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General funds	2,212,493	578,755	(365,731)	-	-	2,425,517
Restricted funds						
General Annual Grant (GAG)	4,469,090	10,820,000	(9,997,843)	(832,470)	-	4,458,777
Year 7 catch-up funding	-	191,621	(191,621)	-	-	-
Teachers pension grant	-	526,939	(526,939)	-	-	-
Teachers pay grant	-	244,108	(244,108)	-	-	-
UIFSM	-	35,880	(35,880)	-	-	-
PE & Sports grant	-	119,584	(119,584)	-	-	-
Pupil Premium	-	554,728	(554,728)	-	-	-
Looked after children	-	107,817	(107,817)	-	-	-
Other DfE/ESFA grants	-	329,223	(329,223)	-	-	-
Local authority grants	-	14,612,975	(14,612,975)	-	-	-
Other government grants	(28,000)	373,587	(345,587)	-	-	-
Covid-19 additional funding	-	8,744	(8,744)	-	-	-
Other income	-	16,162	(16,162)	-	-	-
Provision for boarding activities	91,798	1,033,657	(1,038,413)	-	-	87,042
Pension reserve	(30,323,000)	-	(3,182,000)	-	25,385,000	(8,120,000)

Manor Hall Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
	(25,790,112)	28,975,025	(31,311,624)	(832,470)	25,385,000	(3,574,181)
Restricted fixed asset funds						
Legacy school donated assets	49,207,272	-	(991,483)	-	-	48,215,789
DfE/ESFA capital grants	3,863,032	788,925	(154,729)	-	-	4,497,228
Capital expenditure from GAG	838,918	-	(81,478)	832,470	-	1,589,910
Donated fixed assets	695,150	100,000	(13,332)	-	-	781,818
	54,604,372	888,925	(1,241,022)	832,470	-	55,084,745
Total Restricted funds	28,814,260	29,863,950	(32,552,646)	-	25,385,000	51,510,564
Total funds	31,026,753	30,442,705	(32,918,377)	-	25,385,000	53,936,081

Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds (continued)

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

Unrestricted General Funds

This fund represents those resources which may be used towards meeting any of the charitable objectives of the Trust at the discretion of the Trustees.

Restricted General Funds

These funds represents grants received for the Trust's operational activities and development.

Pension Reserve

This fund represents the Trust's share of the pension liability arising on the LGPS pension fund.

Restricted Fixed Asset Funds

These comprise resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency and local authorities where the asset acquired or created is held for a specific purpose.

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	1,469,479	976,001	(232,987)	-	-	2,212,493
Restricted funds						
General Annual Grant (GAG)	1,964,169	8,832,786	(5,832,263)	(495,602)	-	4,469,090
Other DfE/ESFA grants	55,000	42,254	(97,254)	-	-	-
Teachers pension grant	-	373,534	(373,534)	-	-	-
Teachers pay grant	-	141,219	(141,219)	-	-	-
Universal Infant Free School Meals	-	46,181	(46,181)	-	-	-
PE & Sports grant	-	106,230	(106,230)	-	-	-
Pupil Premium	-	517,788	(517,788)	-	-	-
Looked after children	-	79,899	(79,899)	-	-	-
Covid 19 Catch up Premium	-	208,090	(208,090)	-	-	-
Mass Testing	-	117,130	(117,130)	-	-	-
Other covid grants	-	41,280	(41,280)	-	-	-
Trust capacity fund	-	299,600	(299,600)	-	-	-
Other government grants	140,437	12,305,460	(12,473,897)	-	-	(28,000)
Other income	-	129,913	(129,913)	-	-	-
Provision for boarding activities	111,703	1,026,696	(1,046,601)	-	-	91,798
Pension reserve	(18,264,000)	(4,541,000)	(1,824,000)	-	(5,694,000)	(30,323,000)

Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
	(15,992,691)	19,727,060	(23,334,879)	(495,602)	(5,694,000)	(25,790,112)
Restricted fixed asset funds						
Legacy school donated assets	35,249,257	14,778,930	(820,915)	-	-	49,207,272
DfE/ESFA capital grants	3,726,743	270,564	(134,275)	-	-	3,863,032
Capital expenditure from GAG	402,607	-	(59,291)	495,602	-	838,918
Donated fixed assets	707,812	-	(12,662)	-	-	695,150
	40,086,419	15,049,494	(1,027,143)	495,602	-	54,604,372
Total Restricted funds	24,093,728	34,776,554	(24,362,022)	-	(5,694,000)	28,814,260
Total funds	25,563,207	35,752,555	(24,595,009)	-	(5,694,000)	31,026,753

Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Cicely Haughton School	477,105	528,015
Loxely Hall School	252,599	276,139
Springfield School	576,141	677,337
Merryfields School	947,050	838,301
The Meadows School	653,860	511,909
Rocklands School	307,821	244,669
Chaselea PRU	78,777	184,498
Shenstone Lodge	1,398,636	1,423,418
Adelaide School	616,563	645,342
Adelaide Heath Academy	93,726	141,486
Finch Woods Academy	525,699	314,069
Bailey Street Alternative Provision	209,374	176,736
Castlewood School	168,616	105,246
Central Services	665,369	678,216
Total before fixed asset funds and pension reserve	6,971,336	6,745,381
Restricted fixed asset fund	55,084,745	54,604,372
Pension reserve	(8,120,000)	(30,323,000)
Total	53,936,081	31,026,753

Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Cicely Haughton School	1,410,241	401,644	10,499	187,352	2,009,736	1,820,629
Loxely Hall School	2,020,930	186,854	30,413	448,303	2,686,500	2,531,944
Springfield School	938,516	162,747	20,628	164,712	1,286,603	1,168,525
Merryfields School	1,618,374	387,775	42,530	196,468	2,245,147	2,149,503
The Meadows School	1,728,775	194,495	26,867	262,477	2,212,614	2,019,748
Rocklands School	1,888,343	174,343	28,974	259,458	2,351,118	2,140,505
Chaselea PRU	673,604	198,480	7,618	221,990	1,101,692	905,134
Shenstone Lodge	2,556,646	444,007	35,966	670,523	3,707,142	3,168,210
Adelaide School	1,677,043	223,162	78,313	412,982	2,391,500	730,393
Adelaide Heath Academy	1,230,740	219,135	23,064	248,595	1,721,534	424,487
Finch Woods Academy	1,456,939	176,082	30,163	547,990	2,211,174	662,148
Bailey Street Alternative Provision	770,765	170,740	14,066	121,960	1,077,531	697,021
Castlewood School	1,788,837	147,979	24,572	518,838	2,480,226	2,419,875
Central services	299,562	399,058	142	314,076	1,012,838	906,744
Academy trust	20,059,315	3,486,501	373,815	4,575,724	28,495,355	21,744,866

Notes to the Financial Statements
For the Year Ended 31 August 2022

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	54,360,228	54,360,228
Current assets	2,276,369	8,369,343	724,517	11,370,229
Creditors due within one year	199,539	(3,817,926)	-	(3,618,387)
Creditors due in more than one year	(50,391)	(5,598)	-	(55,989)
Provisions for liabilities and charges	-	(8,120,000)	-	(8,120,000)
Total	2,425,517	(3,574,181)	55,084,745	53,936,081

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	54,537,109	54,537,109
Intangible fixed assets	-	-	2,166	2,166
Current assets	2,201,946	7,495,586	65,097	9,762,629
Creditors due within one year	10,547	(2,924,005)	-	(2,913,458)
Creditors due in more than one year	-	(38,693)	-	(38,693)
Provisions for liabilities and charges	-	(30,323,000)	-	(30,323,000)
Total	2,212,493	(25,790,112)	54,604,372	31,026,753

Notes to the Financial Statements
For the Year Ended 31 August 2022

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

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(2,475,672)	11,157,546
Adjustments for:		
Depreciation	1,241,022	1,027,143
Capital grants from DfE and other capital income	(888,925)	(257,686)
Interest receivable	(4,344)	(1,629)
Defined benefit pension scheme obligation inherited	-	4,541,000
Defined benefit pension scheme cost less contributions payable	2,656,000	1,461,000
Defined benefit pension scheme finance cost	526,000	362,000
(Increase)/decrease in debtors	(76,461)	124,891
Increase in creditors	441,836	320,689
Assets transferred from local authority on conversion	-	(2,697,779)
Assets transferred from existing trust	-	(13,503,099)
Net cash provided by operating activities	1,419,456	2,534,076

24. Cash flows from financing activities

	2022 £	2021 £
Cash inflows from new borrowing	42,658	-
Repayments of borrowing	(18,252)	(14,698)
Net cash provided by/(used in) financing activities	24,406	(14,698)

Notes to the Financial Statements
For the Year Ended 31 August 2022

25. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	4,344	1,629
Purchase of tangible fixed assets	(708,045)	(1,273,587)
Purchase of investments	-	(2,000,677)
Capital grants from DfE Group	1,246,362	397,252
Cash transferred on conversion	28,537	534,242
Cash transferred from existing academies	-	968,930
Net cash provided by/(used in) investing activities	571,198	(1,372,211)

26. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	7,456,467	5,441,407
Total cash and cash equivalents	7,456,467	5,441,407

27. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Other non- cash changes £	At 31 August 2022 £
Cash at bank and in hand	5,441,407	2,015,060	-	7,456,467
Debt due within 1 year	(14,697)	18,252	(25,362)	(21,807)
Debt due after 1 year	(38,693)	(42,658)	25,362	(55,989)
Liquid investments	2,000,677	-	2,053	2,002,730
	7,388,694	1,990,654	2,053	9,381,401

28. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	533,805	81,083

Notes to the Financial Statements
For the Year Ended 31 August 2022

29. Pension commitments

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

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

Contributions amounting to £518,998 were payable to the schemes at 31 August 2022 (2021 - £402,998) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £1,902,000 (2021 - £1,506,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

29. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,520,000 (2021 - £2,043,000), of which employer's contributions totalled £2,043,000 (2021 - £1,647,000) and employees' contributions totalled £477,000 (2021 - £396,000). The agreed contribution rates for future years are 19.3 - 27.2 per cent for employers and 5.5 - 12.5 per cent for employees.

The LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

Principal actuarial assumptions

Cheshire Pension Scheme

	2022	2021
	%	%
Rate of increase in salaries	3.75	4.30
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.70
Inflation assumption (CPI)	3.05	2.90
Commutation of pensions to lump sums post 1 April 2008	75.00	75.00
Commutation of pensions to lump sums pre 1 April 2008	50.00	50.00

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

	2022	2021
	Years	Years
Retiring today		
Males	21.2	21.4
Females	23.8	24.0
Retiring in 20 years		
Males	22.1	22.4
Females	25.5	25.7

Notes to the Financial Statements
For the Year Ended 31 August 2022

29. Pension commitments (continued)

Merseyside Pension Scheme

	2022	2021
	%	%
Rate of increase in salaries	4.30	4.30
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	4.30	1.70
Inflation assumption (CPI)	2.90	2.90
Commutation of pensions to lump sums post 1 April 2008	75.00	75.00
Commutation of pensions to lump sums pre 1 April 2008	50.00	50.00

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

	2022	2021
	Years	Years
Retiring today		
Males	20.9	21.0
Females	24.0	24.1
Retiring in 20 years		
Males	22.4	22.6
Females	25.9	26.0

Staffordshire Pension Scheme

	2022	2021
	%	%
Rate of increase in salaries	3.45	3.30
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.70
Inflation assumption (CPI)	3.05	2.90
Commutation of pensions to lump sums post 1 April 2008	75.00	75.00
Commutation of pensions to lump sums pre 1 April 2008	50.00	50.00

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

29. Pension commitments (continued)

	2022 Years	2021 Years
Retiring today		
Males	21.2	21.4
Females	23.8	24.0
Retiring in 20 years		
Males	22.2	22.5
Females	25.5	25.7

West Midlands Pension Scheme

	2022 %	2021 %
Rate of increase in salaries	4.05	3.90
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.70
Inflation assumption (CPI)	3.05	2.90
Commutation of pensions to lump sums	75.00	75.00
Commutation of pensions to lump sums post 1 April 2008	50.00	50.00

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

	2022 Years	2021 Years
Retiring today		
Males	21.2	21.6
Females	23.6	24.0
Retiring in 20 years		
Males	22.9	22.0
Females	25.4	24.2

Notes to the Financial Statements
For the Year Ended 31 August 2022

29. Pension commitments (continued)

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(757)	(1,867)
Discount rate -0.1%	757	1,867
Salary rate +0.1%	98	927
Salary rate -0.1%	(98)	(927)
Pension rate +0.1%	666	1,333
Pension rate -0.1%	(666)	(1,333)
1 year increase in member life expectancy	1,141	2,488
1 year decrease in member life expectancy	(1,141)	(2,488)

Share of scheme assets

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

	At 31	At 31
	August 2022	August 2021
	£000	£000
Equities	14,355	12,861
Corporate bonds	3,729	3,951
Property	1,948	1,400
Cash and other liquid assets	699	563
Other	132	298
Total market value of assets	20,863	19,073

The actual return on scheme assets was a loss of £557,000 (2021 - gain of £2,549,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2022	2021
	£000	£000
Current service cost	(4,769)	(3,107)
Interest income	335	236
Interest cost	(859)	(598)
Administrative expenses	(2)	(1)
Total amount recognised in the Statement of Financial Activities	(5,295)	(3,470)

Notes to the Financial Statements
For the Year Ended 31 August 2022

29. Pension commitments (continued)

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

	2022	2021
	£000	£000
At 1 September	49,396	29,425
Transfer on conversion	-	902
Transfer of existing academies	-	6,939
Current service cost	4,769	3,108
Interest cost	859	598
Employee contributions	477	396
Benefits paid	(175)	(191)
Actuarial (gains)/losses	(26,324)	8,219
Restatement of opening balance by scheme actuary	(19)	-
At 31 August	28,983	49,396

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

	2022	2021
	£000	£000
At 1 September	19,073	11,161
Transfer on conversion	-	591
Transfer of existing academies	-	2,709
Interest income	335	236
Employee contributions	477	396
Benefits paid	(175)	(191)
Administration expenses	(2)	(1)
Actuarial (losses)/gains	(939)	2,525
Employer contributions	2,043	1,647
Restatement of opening balance by scheme actuary	51	-
At 31 August	20,863	19,073

Notes to the Financial Statements
For the Year Ended 31 August 2022

30. Operating lease commitments

At 31 August 2022 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Within 1 year	35,419	29,585
Between 1 and 5 years	70,049	71,462
	<u>105,468</u>	<u>101,047</u>

31. Other financial commitments

At 31 August 2022 the academy trust had total commitments under non-cancellable PFI contracts of:

	2022 £	2021 £
Within 1 year	145,109	145,109
Between 1 and 5 years	580,436	580,436
After more than 5 years	1,015,763	1,160,872
	<u>1,741,308</u>	<u>1,886,417</u>

32. Members' liability

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

33. Related party transactions

Owing to the nature of the academy trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

D Redgate, spouse of R Redgate, a trustee and Chief Executive Officer, is employed by the academy trust as a Nurture Manager. D Redgate's appointment was made in open competition and R Redgate was not involved in the decision-making process regarding appointment. D Redgate is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

R Best, spouse of C Best, a trustee, is employed by the academy trust as an Exam Officer. R Best appointment was made in open competition and C Best was not involved in the decision-making process regarding appointment. R Best is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

34. Post balance sheet events

On 1 September 2022 Oakfield Lodge School joined the Trust.

Notes to the Financial Statements
For the Year Ended 31 August 2022

35. Academy Boarding Trading Account

	2022 £	2022 £	2021 £	2021 £
Income				
Residential funding from Local Authority	1,032,425		1,026,696	
Donations	1,232		-	
Total direct income	1,033,657		1,026,696	
Total income		1,033,657		1,026,696
Expenditure				
Educational supplies	-		(285)	
Technology costs	-		(383)	
Other direct costs	(7,076)		(13,936)	
Wages and salaries	(761,022)		(921,790)	
Total direct costs expenditure	(768,098)		(936,394)	
Technology costs	(763)		(3,608)	
Maintenance of premises	(7,129)		(4,505)	
Other support costs	(74,099)		(32,024)	
Wages and salaries	(178,141)		(70,070)	
Energy	(10,183)		-	
Total support costs expenditure	(270,315)		(110,207)	
Total expenditure		(1,038,413)		(1,046,601)
(Deficit)/Surplus from boarding		(4,756)		(19,905)
Surplus/(deficit) brought forward		91,798		111,703
Surplus carried forward		87,042		91,798