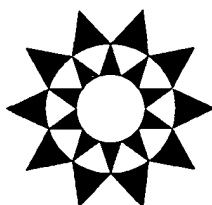


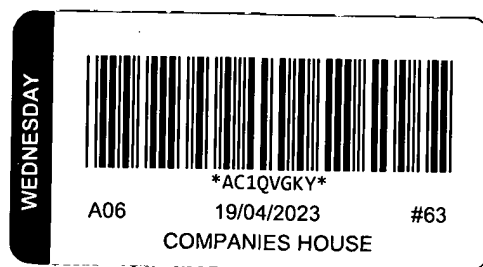
CHESHIRE ACADEMIES TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022



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CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

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CHESHIRE ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Lucy D Haworth A Ashley R Bowman T Harrop N Ankers A Canham
Trustees	A Brennan M Huber (resigned 28 January 2022) J Myers, Chair J Sandford P Woodhouse W M Griffin E Wright G Mason (resigned 31 August 2022) R Hughes S Price (office vacated 5 October 2021) J Olanipekun (appointed 4 October 2022)
Company registered number	08108086
Company name	Cheshire Academies Trust
Principal and registered office	Cheshire Academies Trust Kelsall Primary School Flat Lane Kelsall Cheshire CW6 9PU
Bankers	Lloyds Bank PLC 8 Foregate Street Chester Cheshire CH1 1XP
Solicitors	Browne Jacobson LLP 14th Floor, 1 Hardman Square Spinningfields M3 3EB

CHESHIRE ACADEMIES TRUST (A company limited by guarantee)
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

**Senior Management
Team**

L Jones - Chief Finance & Operations Officer
S Ellis - Chief Executive Officer & Accounting Officer
K Doyle - Principal (Mill View)
D Wearing - Principal (Kelsall)
J Lenton (Appointed 1 September 2022) - Principal (Boughton Heath)
E Armstrong - Principal (Bexton Primary School)
S Cotterill - Principal (Manor Park School and Nursery)

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

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

For the period 1 September 2021 to 31 August 2022, the Trust operated five primary academies and a teaching school. Trust academies have a combined pupil capacity of 1583 and had a roll of 1485 on 31 May 2021. The status of Trust academies is currently as follows:

Academy Name	Date	Joined the Trust	PAN	No. on roll
Bexton Primary School		01.08.2019	500	499
Boughton Heath Academy		01.01.2015	210	225
Kelsall Primary School		01.01.2015	267	248
Manor Park School		01.01.2021	370	288
Mill View Primary School		01.01.2015	236	225

Structure, governance and management

a. Constitution

The multi-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 academy Trust. The Trustees of Cheshire Academies Trust (CAT) are also the directors of the charitable company for the purposes of company law. The charitable company is known as Cheshire Academies Trust.

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

b. 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.

c. Trustees' indemnities

The Trust is a member of the DfE Risk Protection Arrangement, which provides cover for members, and Trustees from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. Details of the costs can be found in note 15 of the accounts.

CHESHIRE ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The members of Cheshire Academies Trust are responsible for the appointment of the Trustees. Trustees can also appoint Trustees.

During the year, the board has actively discussed the strategy for recruiting new Trustees through the creation of a working party consisting of the chair of the board, Mike Giffin, Trustee, who has significant professional experience in marketing and strategy and the Trusts' governance professional.

The working party considered the skills audit completed by Trustees and identified that that whilst Trustees had a strong knowledge base in governance, HR, finance, educational senior leadership, risk management, law, estates management, marketing and strategy, Trustees' knowledge of equity, diversity and inclusion and public sector finance skills could be strengthened and it was agreed that this would be the focus area for recruitment.

At subsequent meetings, a recruitment strategy was developed and a CAT Governance Information Pack was created to provide potential Trustees with information about the Trust so that they were aware of the roles and responsibilities prior to applying for the role.

Through professional networks of Trustees, communication was sent to a number of potential applicants and they were invited to submit a brief CV or overview of their skills that were then discussed by the working group. The group received two applications and both candidates were invited to an informal meeting with the chair and the governance professional. This provided the candidates with a chance to learn more about the Trust and to ask any questions about the role. Following discussions, it was agreed that one of the candidates did not have the required experience to operate at Trust level but would potentially be a good addition to local governance. Jide Olanipekun, a PHD student at Chester University and an experienced governor who was passionate about supporting equity, diversity and inclusion, was invited to observe a Trust board meeting. Jide's appointment as a Trustee was approved subject to references in May 2022. Following receipt of satisfactory references, Jide's term of office will begin on 4th October 2022.

New Trustees are invited to attend an online induction led by the chair with the governance professional and are provided with an online induction pack.

The recruitment strategy will be developed further in 2022-23 to include recruiting Trustees with public-sector finance knowledge.

There are currently seven members of Cheshire Academies Trust with experience in governance, education leadership and HR. The number of members exceeds the minimum number required under the Academies Trust Handbook and the Department for Education's preference for multi-academy Trusts to have at least five members.

CHESHIRE ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

On appointment, Trustees receive information relating to the Trust and its academies, attend an induction briefing, visit individual academies (where desirable), and receive an induction pack containing information relevant to their role.

Information provided to new Trustees includes details of their role and responsibilities, procedures for meetings, information about training opportunities and the provision of relevant documentation including safeguarding documentation, recent Ofsted reports, Trust policies and the scheme of delegation.

During the year, Trustees were offered whole Trust training on Ofsted, the Scheme of Delegation, and the Trust's Articles and on how to triangulate information. They also had access to online training through the National Governance Association's Learning Link. Trustees have participated in the National Governance Association's Board Development Programme.

f. Organisational structure

The structure of the Trust consists of two levels; the Trustees and executive leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Chief Executive Officer is the Trust's Accounting Officer.

The Trustees fulfil four core functions. They are responsible for setting the vision and strategic plan; they set general policy; they agree the budget and ensure the Trust uses its resources for its agreed charitable purpose; and they hold the Chief Executive to account for the performance of academies and the Trust as a whole. Agendas are set in line with the Trust's annual planner, which is reviewed by Trustees annually to ensure coverage of all statutory and strategic responsibilities.

The Trust's executive leadership team is the Chief Executive Officer (CEO), the Trust's Chief Finance & Operations Officer (CFOO), and the Principals at each CAT academy. These leaders control the Trust at an executive level and, in the case of the Principals at individual academies, implement the policies set down by the Trustees and are accountable to them for the performance of each school.

The CEO leads the Trust executive leadership team and is held accountable by the board for the performance of the academies. The role of CEO became a full time position on 1 September 2021, having previously been a 0.5fte position.

The Board has two committees through which it delegates its duties. The resources committee met in September, November, February, May and June. The standards committee met in October and January. Meetings took place remotely.

The Trust employs two governance professionals to clerk the Trust board and the local governing boards (LGBs). Both clerks are highly skilled and experienced. LGB meetings at Manor Park are clerked by a local authority governance professional whose services are engaged on an annual contractual basis. All three governance professionals have completed the accredited NGA Clerks' Programme. They met on a regular basis throughout the year to ensure continuity across the Trust.

Day to day responsibility for the individual academies is devolved to LGBs in accordance with the Scheme of Delegation. They operate a flat structure, which requires all governors to attend a monthly meeting. Each committee has its own terms of reference detailing the responsibilities discharged to the committee, to the Principal and to the academy senior leadership team. The terms of reference and meeting frequency for each committee are reviewed and approved by the LGB annually.

CHESHIRE ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

During the year the chair of the board met with all academy chairs individually and held at termly chairs meetings to enable discussion regarding their roles and the direction of academies and the Trust. The CEO, CFOO and Academies Business Manager attended LGB meetings regularly throughout the year.

g. Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration for the CEO is decided by the Trust board on recommendation from the appraisal panel that includes representatives from the board of Trustees and an external advisor.

The pay and remuneration for the CFOO is decided by the board of Trustees on recommendation from the appraisal panel that includes the Chief Executive Officer and a representative from the board of Trustees.

The pay and remuneration for academy Principals is decided by the Trust Board on recommendation from the appraisal panel that includes the CEO and the LGB chair.

Trustees make decisions surrounding supplementary pay increases for all staff, including key management personnel.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
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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i. Related parties and other connected charities and organisations

Cheshire Leadership and Teaching Alliance (CLTA)

CHESHIRE ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

In March 2013, CLTA was designated as the first Teaching School in Cheshire West and Chester with Kelsall Primary & Nursery School as the lead school. Teaching schools were decommissioned in March 2021 but the Trust continues to operate CLTA as a strategic partner of the Cheshire Teaching School Hub and to deliver the Trust's continuous professional development programmes. David Wearing is Director of CLTA and a member of the Hub's strategic board. Carole Farrell is CLTA's Operations Director. Both David and Carole meet regularly with the Cheshire Hub Director, Ed Leighton and have formed an excellent partnership.

The main elements of CLTA's work revolve around delivering internal training programmes to Trust staff as a centralised training offer, although many courses and programmes are open to other schools as well. For example, the Trusts Learning without Limits programme now involves multiple schools external to CAT. An important feature of CLTA's work will continue to be improving both the system and individual schools within the northwest region and beyond.

Early Career Framework

In 2021-22, CLTA delivered the newly reformed Early Career Teacher training to 40 newly qualified teachers and their Mentors from Cheshire West primary schools. Steve Meredith, CLTA's School Direct QA Lead Mentor, facilitated the training. It is a blend of remote and face-to-face training each half term for 2 years. The venue for the face-to-face training is the CLTA training room at Kelsall Primary School.

In 2022-23 CLTA will deliver the Year 2 training to this cohort and Year 1 training to 32 new ECTs and 30 Mentors.

Professional Qualifications

David Wearing delivered NPQSL to an autumn 2021 cohort (21 delegates) and a spring 2022 cohort (22 delegates). He also delivered the new NPQLBC to 23 delegates. In 2022-23, CLTA will also deliver the new NPQEYL.

School Led Initial Teacher Training

CLTA continued to work in partnership with the University of Chester to deliver the School Direct ITT Programme. 23 Associate Teachers completed the programme in June 2022. The University delivers the PGCE element and CLTA worked with experienced trainers and 14 Partner schools to deliver the QTS element.

Trainers are carefully selected to ensure the course is of the highest possible standard. Feedback forms completed by ATs at the end of each training session are scrutinised for quality assurance. The training returned to face-to-face sessions in the CLTA training room.

Continuing Professional Development

9 training courses were delivered in 2021-22 to 146 teachers from schools in Cheshire West, Cheshire East, Wirral, Halton, Warrington and St. Helens.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

Communication with staff is strong throughout the Trust. At academy level, communication is mostly delegated to school leaders. The Trust communicates directly with employees via termly surveys and through policy consultation. The CEO writes to all employees on a termly basis to inform them of the work of the Trust. This is also shared at a greater depth on Trust INSET days. CAT also has a wellbeing charter that offers a number of employee benefit schemes including a range of salary sacrifice options and an annual flu jab.

Communication between academy senior leaders and the central Trust takes place on a more regular basis via a variety of mediums. In the past year, the Trust has implemented a new HR system to further extend and improve opportunities for staff communication.

The Trust employs a number of disabled colleagues and, where relevant, takes into account their personal circumstances to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential. Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned.

It is the Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

a. Objects and aims

The Trust's object is to advance for the public benefit education for children aged 2-11 by establishing, maintaining, managing and developing academies offering an outstanding curriculum that raises standards and aspirations.

The Trust aims to inspire the hearts and minds of all of its employees and pupils through care, collaboration and creative approaches, to raise and exceed their expectations.

Care – A higher standard - Our lens: our barometer

We use extremely careful approaches to ask challenging questions about our provision; why is that there? Who is it for? Does that work? It is vital we seek to better understand our schools, by assuming less and enquiring more; investigating, understanding and explaining how provision links to learning, links to progress, links to outcomes, and raises standards within our unique academies. We will seek the truth behind the outcome, match this with what we see within practice to identify and share excellence across the Trust. We will equally seek trails for those areas, in each academy, that do not serve our children well, repairing systems and structures with a laser like attention to detail alongside our leaders who share the same values. We have examples of excellence in all areas somewhere in the Trust; in order to secure a great education for all children it needs to cease to matter where, by who, or how, you are educated within the Trust. We care about excellence for all.

CHESHIRE ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

Our lens for disadvantaged and SEND allow us to see a truth about the effectiveness of our provision. It is through these that we will judge our impact, our capability, our capacity to make a difference, beyond that which may be attributed to advantage or need. It is for this reason that we choose disadvantage and SEND over other groups, because these are our litmus test; the indication that we are moving the dial. We will continue to accelerate the strategies to secure greater impact and improvement that better serves all learners. We will actively preference and privilege disadvantage and SEND, seeking greater equity and more effective, inclusive provision.

Ultimately the attainment, progress and attendance of disadvantaged and SEND children is the key measure for Cheshire Academies Trust and each academy; as an indicator of the effectiveness of provision for those who most need it.

Collaboration – Deep Investment in what matters

We know that what all children need, particularly now, is Expert Teaching; this is what really matters. The quality of the educational provision secured through outstanding professional development will raise standards across the Trust. We also know that all pupils thrive when teaching is effective; it is evident in our own and global research. We invest deeply in our staff and collaborate widely, so that teachers have the opportunities to learn from our best innovators and educators but from outside our Trust as well. We will have stronger preferences and opinions on the teaching and pedagogy that matters, particularly for those presently experiencing disadvantage based on the latest educational research. Empowering, recognising and publishing those ideas that make a difference to all pupils so that we can all learn what works. We will speak the language of Expert Teaching (based on the 7C model) and create the conditions for success so colleagues can develop professionally.

Creativity – Powering free thinking leadership

Leadership is the enabler that will improve standards and create the conditions for expert teachers to thrive. The decisions we make as leaders determine the standards we drive and that which we accept. The quality of our senior teams through to middle and subject leadership determine and are responsible for the quality of provision across each academy. The maturity of CAT and the experience and expertise of our leaders should be having greater impact on the quality of provision and be securing a better education for our pupils. We will continue to build effective leadership at all levels supported through system leadership programmes, knowledge hubs as well as research and development units. We are seeking to build leadership capacity thereby increasing unity and autonomy. Curriculum, pedagogy and assessment continue to be our focus, particular to ensure the intent, implementation and impact is secure; the connection between and development of these is what delivers excellence.

b. Objectives, strategies and activities

The Trust worked on its priorities for the year ended 31 August 2022, which were:

- To develop and implement a growth strategy to 2030
- To develop and implement the Trust's educational strategy to drive school improvement and raise educational standards and the overall quality of education
- To develop and implement the Trust's resource management strategy
- To develop and implement the Trust's people strategy
- To develop and implement the Trust's civic partnership strategy
- To agree and implement the strategy for disadvantaged pupils and SEND leaders
- To agree and implement curriculum design principles with CAT academies
- To agree principle outcomes with CAT academies

CHESHIRE ACADEMIES TRUST (A company limited by guarantee)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

c. Public benefit

The Trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees considered how planned activities will contribute to the aims and objectives they have set.

Cheshire Academies Trust Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

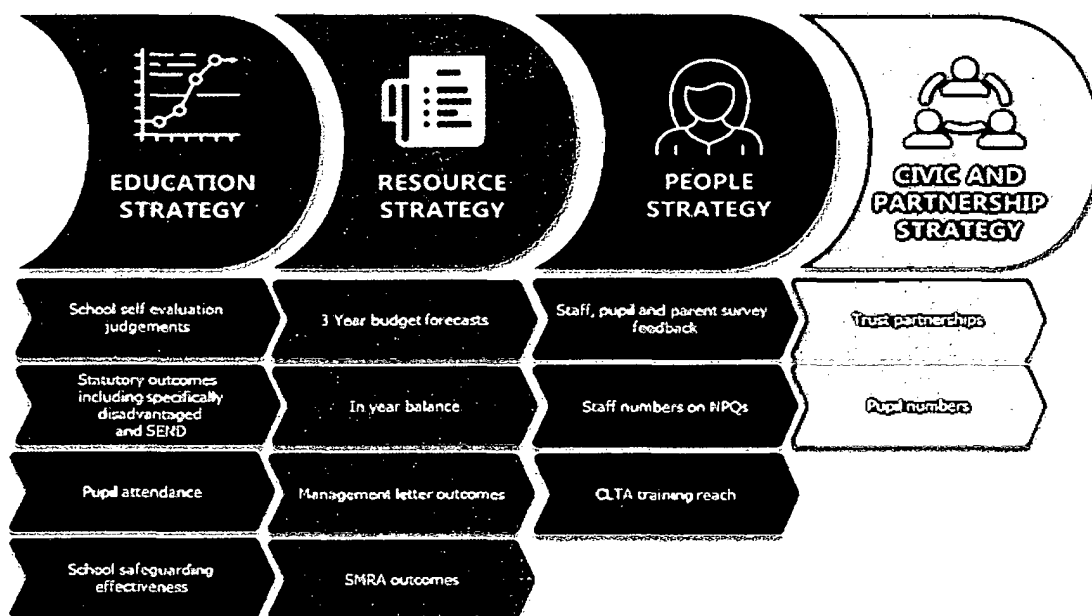
(continued)

Strategic report

Achievements and performance

a. Key performance indicators

The Trust's KPI's for the year were:



Progress Measures for CAT Academies

Progress measures: KS1 to KS2	
Reading progress score (confidence interval in brackets)	2.4
Writing TA progress score (confidence interval in brackets)	2.5
Mathematics progress score (confidence interval in brackets)	1.9

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Outcomes

	2022 National	Boston Primary School	Boughton Heath Academy	Kelsall Primary School	Manor Park School & Nursery	Mill View Primary School	CAT Combined Scores
EYFS GLD	65%	78%	87%		61%	80%	

Phonics Check	76%	87%	97%	67%	93%	90%	
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Year 2 Reading	70%				57%	83%	
Year 2 Writing	58%	75%	73%				
Year 2 Mathematics	68%	81%					

Year 6 Reading	74%	97%	97%	94%		97%	88%
Year 6 Writing	69%	97%	88%	88%		100%	91%
Year 6 Mathematics	71%	95%	91%	91%		93%	86%
Combined RWM	59%	96%	85%	84%		87%	84%

Overall Risk		Low 1	Low 3			Low 3	
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b. Going concern

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Financial review

In the period 2021-2022, 84% of the Trust's income was received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, such as the general annual grant (GAG), pupil premium grant, PE and sports grant, universal free school meal grant, school-led tutoring funding and the nursery teacher pay grants. GAG income funds staffing and premises costs and educational activities in each academy. The income from other grants is restricted to particular purposes. Income is also generated through the Teaching School (CLTA). The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

All CAT academies benefitted from additional income from the Supplementary Grant (paid for the period April – August 2022) which was not announced at the time of budget setting. The grant was paid to cover increased NI costs (due the Health and Social Care Levy) and to meet other cost increases.

The Board approved the budgets for 2021-2022 in July 2021. At this time, an inflation rate of 2.75% was applied to support staff budgets, who are paid on NJC pay scales. The late announcement of the NJC pay offer in July 2022, increased forecast staffing costs for the period April – August 2022 by £81,469, across the Trust. Of this, £56,673 was unfunded. This cost was met by increased revenue from trading activities meaning that there was less than 0.1% variance on the forecast reported to the ESFA on the budget forecast return.

Bexton Primary School & Nursery

Bexton Primary School generates funds from an out of hours' provision and via private nursery fees. Funds from both of these operations have contributed to building a reserve balance over a number of years, which will be allocated towards the development of a multi-use building to be built on the school site, separate to the existing school buildings. During the year, the school procured the services of an architect and quantity surveyor to establish expected costs. A planning permission application was submitted to the local authority in August 2022 and work is expected to commence in summer 2023. The expected cost of the build is anticipated to be in the region of £350-400k.

Bexton were successful in their phase 1 roof replacement bid, receiving £65,790 in a Capital Improvement Fund (CIF) loan (repayable over 10 years), and £592,100 in CIF funding. Work to replace the roof began in late July 2022 and is expected to complete in autumn term 2022.

Additional capital works took place during the year, funded by Devolved Formula Capital (DFC) and GAG to refurbish classrooms and toilet blocks.

Boughton Heath Academy

Boughton Heath Academy generates funds from an out of hours' provision and from their school meals. Increasing staffing and food costs meant that revenue streams from these activities were reduced on previous years. The school sought to protect families from the increasing costs and set plans to absorb the reduction in year. The school does not expect to be able to continue to do this in future financial years.

Boughton Heath's numbers on roll have been consistently above their pupil admission number by 13 pupils for a number of years. This has created a requirement for additional teaching space and Boughton Heath were unsuccessful in a 2018-2019 CIF expansion bid to support these works. The school developed a long-term plan to fund the expansion works and in 2021-2022, the LGB approved the earmarking of £100k in revenue reserves to enable the works to take place. Initial discussions with two architect firms took place and the development is expected to commence in late summer 2023.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Cheshire Academies Trust

The Trust is funded via a universal top-slice (UTS) to its academies. The charge is applied on a termly basis and was set at 5.5% of annual GAG in 2021-2022. Additional revenue streams include an assessed contribution from Cheshire LTA and income from consultancy work undertaken externally by senior staff.

In 2021-2022, the board approved the construction of a dedicated office space for the central team, on the Kelsall site. Construction was completed in July 2022 and was funded via Cheshire LTA revenue reserves. In anticipation of growth, staffing capacity increased in the central Trust. In addition to the 0.5fte, increase in the CEO role there was also the appointment of a payroll and finance officer who will lead the rollout of the Trusts HR system and operate the monthly payroll.

Kelsall Primary School & Nursery

Kelsall Primary School generates funds from private nursery fees, an out of hours' provision and catering. Both the out of hours and catering provisions saw reductions in revenue because of increasing staffing and food costs. The reduction was absorbed by revenue reserves. Nursery revenue increased in year because of expansion in January 2022 to create 10 additional places.

During the year the second phase of the section 106 project, funded via revenue reserves, was completed. This included improvements to the fencing and landscaping around the additional classroom built in the previous year. Other capital projects funded from DFC and reserves included installation of netball pitches and expansion of the nursery and main school outdoor areas.

In the spring term, Kelsall made an application to the Board to fund an additional spending plan, over and above their allocated budget, in order to supplement their school development plan. This was approved following an extraordinary Resource Committee meeting. In the event only £26,680 of the allocated £54,728 was spent before the end of the financial year, with the remainder being built into the 2022-2023 budget to meet planned costs in the autumn term.

Manor Park School & Nursery

Manor Park saw a significant increase in pupil numbers in September 2021. There was an increase of 9 pupils in school and an additional 21 pupils in the nursery class. Whilst this did not affect in-year funding in the main school, there was a significant increase in revenue from the nursery, as a result.

During the year, Manor Park invested in IT improvements, re-designing the early years classroom and outdoor areas and capital works took place to develop whole school outside play opportunities.

Mill View Primary School & Nursery

Due to the increasing cost of staffing and food, Mill View's catering provision operated at a net nil position during the financial year. An additional revenue stream was generated through the out of hours' provision but this was significantly reduced from previous years and totalled half of the original forecast.

Mill View opened their nursery class 'Little Wrens' in April 2022 which had been planned for by the LGB since 2017. The nursery was entirely funded by the school's revenue reserves, which had been built over time for that specific purpose.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), DFC grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of assets.

A number of the revenue funds held by academies within the Trust decreased during the 31 August 2022 due to capital expenditure financed from revenue funds which had purposely been earmarked for this purpose in earlier years. Overall the revenue funds reduced by £83,900 (2021: Increased by £389,035)

The Trust is an employer in the Cheshire Pension Fund, the Local Government Pension Scheme (LGPS). The LGPS is a funded scheme and the assets are held separately from those of Cheshire Academies Trust. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis. The actuarial valuations are obtained triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs, gains and losses on settlements and curtailments. They are included as part of the operational costs. Each Academy purchases ill-health liability insurance for LGPS members through Legal and General, the cost of which is offset against the employer charge.

The employer rate for each academy was amended on 1 April 2020, following an actuarial review of the scheme, and resulted in the reductions that are set out below:

- 24.70% Bexton Primary School
- 23.80% Boughton Heath Academy
- 22.40% Kelsall Primary School
- 25.80% Manor Park School & Nursery
- 21.50% Mill View Primary School

An actuarial review will take place in March 2023, which may amend the current employer rates.

The Trust met its obligations in respect of auto-enrolment for all eligible employees under the Pensions Act 2008. There was one in-year retirement at Manor Park. There is no material change to the LGPS membership at any individual academy.

At 31 August 2022 the net book value of fixed assets was £18,349,764. Movement in tangible assets is shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils in the Trust and the operation of CLTA.

During the year ended 31 August 2022, total revenue expenditure excluding depreciation of £7,407,556 was met by recurrent grant funding from the ESFA together with other incoming resources.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

The Board of Trustees reviews the Trusts' Reserves Policy on a triennial basis and last did so in June 2020. The policy sets out a requirement for all academies to build a contingency reserve, equivalent to one month's net payroll cost, which is not available for the general purposes of the Academy Trust. The central trust is required to hold a contingency reserve equivalent to 15% of annual income.

Contingency reserves are used to meet unplanned costs that cannot be funded elsewhere. They can only be accessed in line with policy requirements and the approval of the Trust. Academies that have not built to the required level of contingency reserve are required to include a plan to do so as part of the budget setting process. The timeframe over which an academy must build to the total fund is risk assessed on an annual basis in order to provide reassurance to the Board that the level of reserve held at any one time is sufficient to manage known and anticipated risk.

The total reserves at 31 August 2022 were £19,284,817 (2021: £15,351,958) this includes revenue reserves of £1,484,329 (2021: £1,568,231) of which £1,069,297 (2021: £430,923) are unrestricted, a pension deficit of £551,000 (2021: £4,190,000) and funds which can only be realised by disposal of fixed assets of £13,351,488 (2021: £17,973,727)

b. Investment policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. Although the Trust does not consider the investment of funds as a primary activity, because of good stewardship the Trustees remain open to exploring investment opportunities.

The Trust had no investments at 31 August 2022.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Principal risks and uncertainties

The Trust continued to embed the risk management policy introduced in spring 2021 during the year. The policy clearly outlines the responsibilities of the board, local governing bodies, academy principals and other staff in regards to managing risk and the appropriate steps to take to in order to manage risk. The Trust categorises risk into nine key strategic areas:

- Strategic
- Governance
- Compliance
- Financial
- Educational
- HR/Legal
- Estates
- Covid-19
- Reputational

The Board has considered the major risks to which the Trust is exposed in each of these areas and applies the 'four T's' strategy to agree how the risks will be managed. These are to 'Tolerate', 'Treat', 'Transfer' or 'Terminate'. The process ensures that new risks are properly identified, reported and evaluated; that risks are considered as part of new project appraisals; and significant failures of control are properly reported and addressed; there is an adequate level of understanding of individual responsibility for implementing and monitoring control systems; further actions are identified; that the Board consider and review the annual process and that they are provided with relevant and timely interim reports.

To provide a systematic means of compliance, the Trust and its constituent academies hold an individual Risk Assessment and Mitigation Plan (RAMP) that seeks to pull together the key aspects of the risk management process.

Fundraising

The Trust itself investigates non-governmental grant awarding bodies, which may be in a position to assist it in achieving its charitable aims, and submits formal applications for such grants. However, no grants were received from such sources during the year (2021: £74,000).

Each Trust academy also has an appropriately constituted Parent Teacher Association (PTA). These solicit donations, primarily from parents, for specific projects, through organising Christmas and summer fairs, school discos, parents' social evenings etc.

No professional fundraisers or commercial participators were used to assist any PTA during the year in its activities (2021: None) and no complaints were received by the Trust or any persons acting on its behalf about activities by the charity or any persons acting on its behalf in fundraising (2021: None).

The Trust monitors the activities of its PTAs to ensure that both vulnerable people and members of the public are protected against unreasonable intrusion or unreasonably persistent approaches for soliciting money or undue pressure to make donations.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The Trust has published its 2030 strategy that sets out the roadmap for growth, following the publication of the Schools White Paper, in March 2022. Specifically, the Trust intends to expand its strategic architecture by advancing the consistency of educational and curricular approaches, by expanding hubs of academies in Cheshire and Merseyside and by expanding its central capacity to accommodate growth.

CAT academies will continue to work and grow as a family of academies that remain unique, but are supported by aligned structures, to allow the Trust to focus on setting the conditions for success, so that leaders may continue to inspire teachers, who will, in turn, provide a great education to their children.

Longer-term planning sets out the Trusts desire to work alongside other strong MATs who share similar values around research and development and open source work, thereby learning together in a cohesive educational forum. The Trust will develop regional bases to ensure communication and face-to-face working are prioritised but not at the detriment to efficiency. Trust growth will be assessed on a needs basis to identify schools with expertise that can add value and strength to our pool of talent and capability.

The plan above indicates the key strategic mechanisms that will continue to provide the foundations for Trust improvement. They cover all aspects of the corporate and organisational priorities. In the last year, there has been an evolution of this plan to incorporate a rigorous risk management system as well as further definition given to school improvement approaches and quality assurance frameworks.

Funds held as custodian on behalf of others

To 31 August 2022, the Trust did not hold funds as custodian Trustee on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

At their AGM in January 2022, members extended the audit contract with WR Partners for one year. They will consider the option of a further extension or re-tendering the contract at the January 2023 AGM.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2022 and signed on its behalf by:

DocuSigned by:

Janet Myers

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J Myers
(Chair of Trustees)

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform to 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 Kelsall Primary School and the supplementary funding agreements between Boughton Heath Academy, Mill View Primary School, Bexton Primary School and Manor Park School and Nursery and the Secretary of State for Education.

In practice much of the day-to-day financial responsibility is delegated to the Trusts' Chief Finance & Operations Officer, who as such, is 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 has formally met seven times during the year with an additional six resource committee meetings and two standards committee meetings.

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

Trustee	Meetings attended	Out of a possible
A Brennan	4	7
M Huber	2	4
J Myers, Chair	7	7
J Sandford	5	7
P Woodhouse	5	7
W M Griffin	6	7
E Wright	5	7
G Mason	6	7
R Hughes	5	7
S Price	0	0
J Olanipekun	0	0

The Trust board met six times in the period 1 September 2021 – 2022. Additionally they held one extraordinary meeting to review the due diligence process on two academies seeking to join the Trust. In addition, the Resources committee has met six times (including one extraordinary meeting), and the Standards committee has met on two occasions.

No new Trustees were co-opted to the board during the year. There were two resignations and one Trustee vacated their office. The board set up a working party to determine the next round of Trustee recruitment, which included work to formalise the recruitment process. The skills audit indicated that the recruitment should focus on equality, diversity and inclusion, and public sector financial skills. The board expect to appoint a Trustee with significant experience in governance, in early 2022-2023.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

There has been no change in year to the membership of the Trust, which is seven members. An AGM took place in January 2022 when members received the accounts, appointed the auditors for the financial year and received reports from the lead auditor, the chair, the CEO and the CFOO. A general meeting took place in June 2022, with members receiving updates from the chair, the CEO and the CFOO.

The existing chairs at all academies were appointed to serve a further one-year term. None have served more than the NGA recommended maximum of six years. The chair at Kelsall resigned during the year and was replaced by the vice chair. Succession planning discussions took place during the year with several LGBs, both for the role of chair but also other key roles such as safeguarding governor. The chair of the board held a one-to-one meeting with all but one LGB chairs during the year, including the incoming and outgoing chair at Kelsall. A termly meeting between all LGB chairs and the chair of the board also took place to enable discussions on data outcomes, Ofsted, communication, governor training, the Trust's 2030 strategy, Trust growth, link governors and governor induction.

All Trustees and Governors are required to state any pecuniary or conflicts of interest on induction which is then added to the academy or Trust's register of interests. The register is maintained throughout the year by the Governance Professional. All Trustees and Governors are required to formally update this on an annual basis in the Autumn term. In addition, every board and LGB meeting agenda begins with asking all attendees to declare any changes to their interests or any particular interest against the business of the meeting. This information informs the work of the Trust in ensuring it avoids conflicts in any matters pertaining to Trustee or Governor declarations.

In the previous year, the board had identified training for all local governors and Trustees on the Articles of Association and Scheme of Delegation, effective challenge, Ofsted, and data as an area for development. The CEO and the governance professional provided this training during the year. Trustees and governors are provided have access to NGA's Learning Link, and the Trust is well represented at Cheshire West Governance Association networking events. The Trust held an online networking event for LGB members and Trustees, on the theme of the 2030 strategy. The event was well received and provided a good opportunity to continue to develop working relationships between Trustees and governors.

The Trust retains oversight of LGB activity via link Trustees who are appointed for all academies. Link Trustees liaise with LGB chairs read minutes and attend occasional LGB meetings. LGBs complete a termly quality assurance document, providing assurance to themselves and the board that they have discharged their delegated responsibilities.

The CEO coordinates collaboration across LGBs and the Trust board on topics such as safeguarding, special educational needs and data protection. Further development of collaborative links between LGBs has been identified as an action for 2022-2023.

The Trust board procured quotes from two providers for an external review of governance during the year. Following further discussion and reflection on growth timescales, it was agreed that Trustees with professional governance experience would lead academy level governance reviews and an external review of board performance would be commissioned in the autumn term 2022, to take place later in the 2022-23 academic year.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Trustees (Resource Committee)

The remit of the resources committee is to assist the Trust Board in ensuring that assets are dealt with in accordance with the Academy Trust Handbook and the Master Funding Agreement and are used to ensure the best outcomes of pupils.

The committee's remit extends to considering financial and staffing matters, audit and risk, and to approve policy relating to these matters.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Huber	1	2
R Hughes	6	6
J Sandford	5	6
P Woodhouse	4	6
W M Griffin	3	6

Trustees (Standards Committee)

The remit of the standards committee is to assist the Trust Board in holding executive leaders to account for the educational performance of the organisation and its pupils; ensuring that high educational performance standards across the Trust are maintained and ensuring appropriate compliance with statutory and contractual requirements.

The committee's remit extends to considering educational performance, safeguarding and risk and to approve policy relating to these matters.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
E Wright	2	2
J Myers	2	2
A Brennan	2	2
G Mason	2	2

CHESHIRE ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

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 Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data and key performance indicators, where appropriate.

The Accounting Officer for the Trust has delivered improved value for money during the year through the delivery of a programme of internal review and control which focuses on improving standards by supporting and challenging performance to ensure statutory compliance and improved educational outcomes for all groups of pupils in the Trust.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy'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.

CHESHIRE ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- Monthly management accounts and cash flow statements provided to all Trustees
- Integrated curriculum financial planning, which provides curriculum led financial forecasts over a three-year period to support planning and decision making
- Monthly financial management cycle implemented in each academy to ensure the provision of accurate and timely data and reviewed by the Trust's Finance Manager
- Termly financial reports to governing boards to support academy level financial challenge and scrutiny
- Resource Committee with oversight and challenge of financial decisions taken at executive level
- The implementation of an internal scrutiny programme implemented by an external audit firm, different to the one that fulfils the annual external audit programme
- Setting of key performance targets to measure financial and other performance
- Clearly defined policies and procedures for all personnel with financial responsibilities to work within. Most notably the Trusts Scheme of Delegation, Financial Handbook and suite of financial and accounting policies
- Annual programme of risk identification as set out in the risk management policy

The Board of Trustees has decided to employ Mitchell Charlesworth as internal auditor.

In 2021-2022 Mitchell Charlesworth fulfilled the internal scrutiny programme for the Trust, following an agenda set by the resources committee. The Trusts Risk Assessment & Mitigation Plan (RAMP), audit work undertaken in year by the central team, the audit management letter and advice from the CFOO, informed the agenda. It included a review of the purchase order process at academy level, credit card purchases and purchases exceeding £2k.

Mitchell Charlesworth undertook two visits during the year. One in March 2022 to review data for the period 1 September 2021 – 28 February 2022 and a second visit in late July 2022 to review the data for the period from 1 March 2022. Their final report to the Board stated 'On the basis of the testing performed during the visit, we can conclude that resources are being managed efficiently, economically and effectively and the internal controls at Cheshire Academies Trust are well designed and operating effectively'.

A wide range of non-financial internal scrutiny takes place in each CAT academy throughout the year. This includes safeguarding reviews, externally led by the LA Safeguarding Children in Education teams, school improvement visits led by the CEO, pan-Trust appraisal and writing moderation and internal results scrutiny, and peer led PPG, SEND and attendance reviews.

CHESHIRE ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

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:

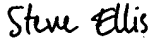
- the work of the internal scrutiny programme;
- the work of the external auditor; and
- the work of the executive leaders within the Trust who have responsibility for the development; and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2022 and signed on their behalf by:

DocuSigned by:

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J Myers
Chair of Trustees

DocuSigned by:

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S Ellis
Accounting Officer

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

DocuSigned by:

Steve Ellis

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S Ellis

Accounting Officer

Date: 6 December 2022

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

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

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

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

Approved by order of the members of the Board of Trustees on 6 December 2022 and signed on its behalf by:

DocuSigned by:

Janet Myers

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J Myers
Chair

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHESHIRE ACADEMIES TRUST**

Opinion

We have audited the financial statements of Cheshire Academies Trust (the 'academy') 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'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 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'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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHESHIRE ACADEMIES 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 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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHESHIRE ACADEMIES TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the Academy 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'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 or to cease operations, or have no realistic alternative but to do so.

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:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHESHIRE ACADEMIES TRUST (CONTINUED)**

Use of our report

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



Fran Johnson Bsc BFP FCA (Senior statutory auditor)

for and on behalf of
WR Partners

Drake House
Gadbrook Park
Northwich
CW9 7RA

16 December 2022

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHESHIRE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 6 December 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 Cheshire Academies Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Cheshire Academies Trust's funding agreement with the Secretary of State for Education dated 02/07/2019 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's income and expenditure.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHESHIRE
ACADEMIES 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.



Reporting Accountant
WR Partners

Date: 16.12.22

CHESHIRE ACADEMIES 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	57,169	-	322,308	379,477	6,193,693
Other trading activities:						
Other trading activities		580,969	-	-	580,969	418,614
Investments	7	236	-	-	236	68
Charitable activities:						
Educational operations	4	-	7,274,181	-	7,274,181	6,316,600
Teaching School		-	170,415	-	170,415	172,618
Total income		638,374	7,444,596	322,308	8,405,278	13,101,593
Expenditure on:						
Charitable activities:						
Educational operations	9	-	8,262,073	403,863	8,665,936	7,242,298
Teaching School		-	128,663	-	128,663	121,768
Pension deficit transfer from local authority on conversion		-	-	-	-	530,000
Other charitable activities		-	(180)	-	(180)	-
Total expenditure		-	8,390,556	403,863	8,794,419	7,894,066
Net income/(expenditure)		638,374	(945,960)	(81,555)	(389,141)	5,207,527
Transfers between funds	19	-	(459,316)	459,316	-	-
Net movement in funds before other recognised gains/(losses) carried forward		638,374	(1,405,276)	377,761	(389,141)	5,207,527

CHESHIRE ACADEMIES 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 £
	Note					
Net movement in funds before other recognised gains/(losses) brought forward		638,374	(1,405,276)	377,761	(389,141)	5,207,527
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	4,322,000	-	4,322,000	(950,000)
Net movement in funds		<u>638,374</u>	<u>2,916,724</u>	<u>377,761</u>	<u>3,932,859</u>	<u>4,257,527</u>
Reconciliation of funds:						
Total funds brought forward		430,923	(3,052,692)	17,973,727	15,351,958	11,094,431
Net movement in funds		638,374	2,916,724	377,761	3,932,859	4,257,527
Total funds carried forward		<u>1,069,297</u>	<u>(135,968)</u>	<u>18,351,488</u>	<u>19,284,817</u>	<u>15,351,958</u>

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

The notes on pages 38 to 65 form part of these financial statements.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08108086

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	18,349,764	17,966,936
		<u>18,349,764</u>	<u>17,966,936</u>
Current assets			
Debtors	17	169,176	153,524
Cash at bank and in hand		2,290,888	2,069,594
		<u>2,460,064</u>	<u>2,223,118</u>
Creditors: amounts falling due within one year	18	(974,011)	(648,096)
Net current assets		<u>1,486,053</u>	<u>1,575,022</u>
Total assets less current liabilities		<u>19,835,817</u>	<u>19,541,958</u>
Net assets excluding pension liability		<u>19,835,817</u>	<u>19,541,958</u>
Defined benefit pension scheme liability	25	(551,000)	(4,190,000)
Total net assets		<u><u>19,284,817</u></u>	<u><u>15,351,958</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	18,351,488	17,973,727
Restricted income funds	19	415,032	1,137,308
		<u>18,766,520</u>	<u>19,111,035</u>
Restricted funds excluding pension asset	19	18,766,520	19,111,035
Pension reserve	19	(551,000)	(4,190,000)
Total restricted funds	19	<u>18,215,520</u>	<u>14,921,035</u>
Unrestricted income funds	19	<u>1,069,297</u>	<u>430,923</u>
Total funds		<u><u>19,284,817</u></u>	<u><u>15,351,958</u></u>

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08108086

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 33 to 65 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

DocuSigned by:

Janet Myers

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J Myers
(Chair of Trustees)

Date: 6 December 2022

The notes on pages 38 to 65 form part of these financial statements.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

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	21	685,663	808,963
Cash flows from investing activities	22	(464,369)	(212,929)
Change in cash and cash equivalents in the year		221,294	596,034
Cash and cash equivalents at the beginning of the year		2,069,594	1,473,560
Cash and cash equivalents at the end of the year	23, 24	<u><u>2,290,888</u></u>	<u><u>2,069,594</u></u>

The notes on pages 38 to 65 form part of these financial statements

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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.

The financial statements are prepared in £ sterling, rounded to the nearest £.

Cheshire Academies 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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Academy 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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income (continued)

- **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 has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

- **Charitable activities**

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

1.5 Taxation

The Academy 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 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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £500 or more (or £250 IT Equipment) 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 straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

Leasehold land & buildings	-	2% on cost
Furniture & equipment	-	20% on cost
Computer equipment	-	25% on cost
Motor vehicles	-	20% on cost

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.

1.7 Leased assets

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

1.8 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.

1.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.10 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Pensions

Retirement benefits to employees of the Academy 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 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 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.

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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.

2. Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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.

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					
Capital grants	-	-	322,308	322,308	168,068
Other donations	57,169	-	-	57,169	130,355
Subtotal detailed disclosure	57,169	-	322,308	379,477	298,423

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants (continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Transfer from local authority on conversion	-	-	-	-	5,895,270
	57,169	-	322,308	379,477	6,193,693
<i>Total 2021</i>	60,355	178,157	5,955,181	6,193,693	

4. Income from charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	7,274,181	7,274,181	6,316,600
Teaching School	170,415	170,415	172,618
	7,444,596	7,444,596	6,489,218
<i>Total 2021</i>	6,489,218	6,489,218	

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Funding for the Academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
General annual grant (GAG)	5,535,990	5,535,990	4,733,877
Other DfE/ESFA grants			
ESFA - pupil premium	263,360	263,360	212,117
ESFA - free school meals	213,823	213,823	201,545
Others	243,599	243,599	330,261
	<u>6,256,772</u>	<u>6,256,772</u>	<u>5,477,800</u>
Other Government grants			
Local authority grants	683,781	683,781	554,015
Other government grants	9,406	9,406	7,504
Coronavirus JRS scheme	-	-	99,980
ESFA Covid catch-up funding	-	-	21,993
	<u>693,187</u>	<u>693,187</u>	<u>683,492</u>
Other Incoming resources	<u>324,222</u>	<u>324,222</u>	<u>155,308</u>
	<u><u>7,274,181</u></u>	<u><u>7,274,181</u></u>	<u><u>6,316,600</u></u>
	<u><u>7,274,181</u></u>	<u><u>7,274,181</u></u>	<u><u>6,316,600</u></u>
Total 2021	<u><u>6,316,600</u></u>	<u><u>6,316,600</u></u>	

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

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	11,095	11,095	12,588
Out of hours fees	515,377	515,377	368,571
Sale of goods and services	54,497	54,497	37,455
Total 2022	580,969	580,969	418,614
<i>Total 2021</i>	<i>418,614</i>	<i>418,614</i>	

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Short term deposits	236	236	68
<i>Total 2021</i>	<i>68</i>	<i>68</i>	

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**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 £
Educational operations:					
Direct costs	5,099,534	323,090	393,358	5,815,982	4,919,018
Allocated support costs	1,688,869	696,924	464,161	2,849,954	2,323,280
Teaching School:					
Direct costs	33,514	-	42,729	76,243	68,854
Allocated support costs	36,892	2,299	13,049	52,240	52,914
Pension deficit from local authority on conversion:					
Pension deficit from local authority on conversion	-	-	-	-	530,000
Total 2022	6,858,809	1,022,313	913,297	8,794,419	7,894,066
<i>Total 2021</i>	<i>5,676,605</i>	<i>779,134</i>	<i>1,438,327</i>	<i>7,894,066</i>	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Educational operations	8,665,936	8,665,936	7,242,298
Teaching School	128,483	128,483	121,768
Pension deficit from local authority on conversion	-	-	530,000
Total 2022	8,794,419	8,794,419	7,894,066
<i>Total 2021</i>	<i>7,894,066</i>	<i>7,894,066</i>	

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	5,815,982	2,849,954	8,665,936	7,242,298
Teaching School	76,243	52,240	128,483	121,768
Pension deficit from local authority on conversion	-	-	-	530,000
Total 2022	5,892,225	2,902,194	8,794,419	7,894,066
<i>Total 2021</i>	<i>4,987,872</i>	<i>2,906,194</i>	<i>7,894,066</i>	

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2022 £	Teaching School 2022 £	Transfers from local authority on conversion 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,688,869	36,892	-	1,725,761	1,354,990
Depreciation	80,773	-	-	80,773	86,192
Technology costs	154,582	41	-	154,623	132,965
Other costs	161,272	12,327	-	173,599	733,870
Rates	46,239	-	-	46,239	50,864
Energy	101,050	1,452	-	102,502	75,905
Maintenance of premises	164,022	797	-	164,819	115,651
Cleaning and caretaking	106,034	50	-	106,084	104,775
Security	8,854	-	-	8,854	3,024
Transport	4,492	-	-	4,492	1,503
Catering	281,472	681	-	282,153	196,703
Legal and professional	31,050	-	-	31,050	26,775
Governance costs	21,245	-	-	21,245	22,977
Total 2022	2,849,954	52,240	-	2,902,194	2,906,194
Total 2021	2,323,280	52,914	530,000	2,906,194	

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	4,871	4,904
Depreciation of tangible fixed assets	403,864	428,915
Net interest on defined benefit pension liability	75,000	47,000
Fees paid to auditors for:		
- audit	14,000	10,175
- other services	5,835	12,772

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	4,557,479	4,012,205
Social security costs	352,100	305,947
Pension costs	1,743,913	1,283,545
	<u>6,653,492</u>	<u>5,601,697</u>
Agency staff costs	152,921	74,017
Staff restructuring and other costs	52,396	48,884
	<u>6,858,809</u>	<u>5,724,598</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Redundancy payments	-	891
Staff development and other staff costs	52,396	47,993
	<u>52,396</u>	<u>48,884</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	75	68
Administration and support	187	144
Management	12	12
	<u>274</u>	<u>224</u>

CHESHIRE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Staff (continued)

c. 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	3	2
In the band £70,001 - £80,000	3	3
In the band £90,001 - £100,000	1	-

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £907,000 (2021 - £539,000).

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13. Central services

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

- Human resources;
- Financial, budgetary and accounting services;
- Various educational support and administrative services.

The Academy charges for these services on the following basis:

The Trust policy is for charges upon member entities/ academies to be levied each teaching term upon a basis designed solely to cover the estimated costs of the core services provided.

In both years, each academy was charged an equal percentage of its General Annual Grant income with the remaining estimated costs being assigned as a charge to the CLTA.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Bexton Primary School	104,708	117,739
Kelsall Primary School	49,744	43,662
Boughton Heath Primary School	50,469	49,258
Mill View Primary School	49,696	54,896
Cheshire Leadership & Teaching Alliance	15,000	15,000
Manor Park School & Nursery	57,833	36,259
Total	327,450	316,814

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

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

15. 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 trust 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.

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16. Tangible fixed assets

	Leasehold land & building £	Assets under construction £	Furniture, fittings and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2021	18,557,382	-	323,621	288,990	500	19,170,493
Additions	368,431	286,943	55,045	76,273	-	786,692
At 31 August 2022	18,925,813	286,943	378,666	365,263	500	19,957,185
Depreciation						
At 1 September 2021	917,121	-	155,151	130,785	500	1,203,557
Charge for the year	290,211	-	45,784	67,869	-	403,864
At 31 August 2022	1,207,332	-	200,935	198,654	500	1,607,421
Net book value						
At 31 August 2022	17,718,481	286,943	177,731	166,609	-	18,349,764
At 31 August 2021	17,640,261	-	168,470	158,205	-	17,966,936

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2022 £	2021 £
Long-term leasehold land	4,154,700	4,145,700

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17. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	8,612	11,719
Other debtors	91,543	70,249
Prepayments and accrued income	69,021	71,556
	<u>169,176</u>	<u>153,524</u>

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	162,527	221,547
Other taxation and social security	93,717	84,688
Other creditors	115,234	112,637
Accruals and deferred income	602,533	229,224
	<u>974,011</u>	<u>648,096</u>

	2022 £	2021 £
Deferred income at 1 September 2021	165,899	126,279
Resources deferred during the year	207,768	165,899
Amounts released from previous periods	(165,899)	(126,279)
	<u>207,768</u>	<u>165,899</u>

Deferred income relates to UIFSM funding received in the summer term for the period to 31 March 2023 £177,837 and deferred CIF capital funding of £29,931.

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19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	430,923	638,374	-	-	-	1,069,297
Restricted general funds						
General Annual Grant	4,377	5,535,989	(5,540,366)	-	-	-
UIFSM	-	213,823	(213,823)	-	-	-
Pupil Premium	-	263,360	(263,360)	-	-	-
DfE/ESFA grants	-	243,599	(243,599)	-	-	-
Other government grants	-	693,187	(693,187)	-	-	-
Teaching school	219,866	170,415	(126,222)	-	-	264,059
Other restricted funds	913,065	324,223	(626,999)	(459,316)	-	150,973
Pension reserve	(4,190,000)	-	(683,000)	-	4,322,000	(551,000)
	<u>(3,052,692)</u>	<u>7,444,596</u>	<u>(8,390,556)</u>	<u>(459,316)</u>	<u>4,322,000</u>	<u>(135,968)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Inherited on conversion	5,647,788	-	-	-	-	5,647,788
DfE group capital	12,325,939	322,308	(403,863)	459,316	-	12,703,700
	<u>17,973,727</u>	<u>322,308</u>	<u>(403,863)</u>	<u>459,316</u>	<u>-</u>	<u>18,351,488</u>
Total Restricted funds	<u>14,921,035</u>	<u>7,766,904</u>	<u>(8,794,419)</u>	<u>-</u>	<u>4,322,000</u>	<u>18,215,520</u>
Total funds	<u>15,351,958</u>	<u>8,405,278</u>	<u>(8,794,419)</u>	<u>-</u>	<u>4,322,000</u>	<u>19,284,817</u>

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

General fund

Represents amounts derived from the hire of facilities and investment income.

General Annual Grant

This represents the balance remaining from core funding provided by the EFSA for the schools core educational activities.

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

Other Restricted General Funds

This represents the balance remaining from other funding provided by the EFSA/DfE and local authorities for the academy trust's educational activities.

Pension Reserve

This is the Local Government Pension Scheme deficit attributable to the school and is derived from the report of the actuary produced as at 31 August 2021.

Fixed Asset Restricted Funds

This represents the value of fixed assets shown on the balance sheet plus carried forward capital cash at bank. The assets underlying the fund are the Trust's land and buildings, furniture, motor vehicles, fixtures and fittings and computer equipment.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. 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	388,698	110,466	-	(68,241)	-	430,923
Restricted general funds						
General Annual Grant	51,878	4,733,877	(4,781,378)	-	-	4,377
UIFSM	-	201,545	(201,545)	-	-	-
Pupil Premium	-	212,117	(212,117)	-	-	-
Restricted Other DfE/ESFA grants	-	330,261	(330,261)	-	-	-
Other government grants	55,834	683,492	(739,326)	-	-	-
Teaching school	169,016	172,618	(121,768)	-	-	219,866
Other restricted funds	513,770	1,232,036	(692,756)	(139,985)	-	913,065
Pension reserve	(2,324,000)	-	(916,000)	-	(950,000)	(4,190,000)
	<u>(1,533,502)</u>	<u>7,565,946</u>	<u>(7,995,151)</u>	<u>(139,985)</u>	<u>(950,000)</u>	<u>(3,052,692)</u>
Restricted fixed asset funds						
Inherited on conversion	-	5,717,113	(69,325)	-	-	5,647,788
DfE group capital	12,239,235	168,068	(359,590)	208,226	-	12,255,939
Private sector capital sponsorship	-	70,000	-	-	-	70,000
	<u>12,239,235</u>	<u>5,955,181</u>	<u>(428,915)</u>	<u>208,226</u>	<u>-</u>	<u>17,973,727</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Total Restricted funds	10,705,733	13,521,127	(8,424,066)	68,241	(950,000)	14,921,035
Total funds	11,094,431	13,631,593	(8,424,066)	-	(950,000)	15,351,958

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Bexton Primary School	513,261	394,874
Kelsall Primary School	298,207	378,459
Boughton Heath Primary School	193,289	81,612
Mill View Primary School	143,655	239,404
Cheshire Leadership & Teaching Alliance	94,234	205,012
Manor Park School & Nursery	235,694	222,514
Central Services	5,989	46,356
Total before fixed asset funds and pension reserve	1,484,329	1,568,231
Restricted fixed asset fund	18,351,488	17,973,727
Pension reserve	(551,000)	(4,190,000)
Total	19,284,817	15,351,958

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**NOTES TO THE FINANCIAL STATEMENTS
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19. 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 £
Bexton Primary School	1,768,622	296,595	82,725	417,271	2,565,213	2,467,173
Kelsall Primary School	764,437	175,398	83,936	157,312	1,181,083	1,098,728
Boughton Heath Primary School	594,022	151,272	122,634	115,439	983,367	962,667
Mill View Primary School	775,359	164,101	60,454	131,633	1,131,547	1,077,127
Cheshire Leadership & Teaching Alliance	40,401	36,892	35,842	15,798	128,933	122,904
Manor Park School & Nursery	960,254	137,760	50,445	203,576	1,352,035	889,001
Central Services	229,953	187,522	-	60,350	477,825	213,409
Academy	5,133,048	1,149,540	436,036	1,101,379	7,820,003	6,831,009

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. 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	-	-	18,349,764	18,349,764
Current assets	1,069,297	1,389,043	1,724	2,460,064
Creditors due within one year	-	(974,011)	-	(974,011)
Provisions for liabilities and charges	-	(551,000)	-	(551,000)
Total	1,069,297	(135,968)	18,351,488	19,284,817

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	-	-	17,966,936	17,966,936
Current assets	430,923	1,785,404	6,791	2,223,118
Creditors due within one year	-	(648,096)	-	(648,096)
Provisions for liabilities and charges	-	(4,190,000)	-	(4,190,000)
Total	430,923	(3,052,692)	17,973,727	15,351,958

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**NOTES TO THE FINANCIAL STATEMENTS
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21. 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)	(389,141)	5,207,527
Adjustments for:		
Depreciation	403,864	428,915
Capital grants from DfE and other capital income	(322,309)	(238,068)
Interest receivable	(14)	(68)
Defined benefit pension scheme obligation inherited	-	530,000
Defined benefit pension scheme cost less contributions payable	608,000	339,000
Defined benefit pension scheme finance cost	75,000	47,000
Increase in debtors	(15,652)	(22,565)
Increase in creditors	325,915	234,335
Surplus on conversion to an academy	-	(5,895,270)
Cash funds transferred in on conversion	-	178,157
Net cash provided by operating activities	685,663	808,963

22. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	14	68
Purchase of tangible fixed assets	(786,692)	(451,065)
Capital grants from DfE Group	322,309	35,297
Capital funding received from sponsors and others	-	202,771
Net cash used in investing activities	(464,369)	(212,929)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	2,290,888	2,069,594
Total cash and cash equivalents	2,290,888	2,069,594

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NOTES TO THE FINANCIAL STATEMENTS
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24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,069,594	221,294	2,290,888
	<u>2,069,594</u>	<u>221,294</u>	<u>2,290,888</u>

25. Pension commitments

The Academy'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 Cheshire Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. 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 £115,000 were payable to the schemes at 31 August 2022 (2021 - £110,000) 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 TPS valuation based on April 2016 data has resulted in an increase of the employer contribution rate from 16.48% to 23.68% payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £886,491 (2021 - £796,636).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £472,000 (2021 - £438,000), of which employer's contributions totalled £375,000 (2021 - £350,000) and employees' contributions totalled £ 97,000 (2021 - £88,000). The agreed contribution rates for future years are 21.5% to 25.8% per cent for employers and 5.5% to 8.5% per cent for employees.

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

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25. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.8	3.6
Rate of increase for pensions in payment/inflation	3.1	2.9
Discount rate for scheme liabilities	4.3	1.7
Inflation assumption (CPI)	3.1	2.9

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
<i>Retiring today</i>		
Males	21.2	21.4
Females	23.8	24.0
<i>Retiring in 20 years</i>		
Males	22.1	22.4
Females	25.5	25.7

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(28)	(46)
Discount rate -0.1%	28	46
Mortality assumption - 1 year increase	(44)	(72)
Mortality assumption - 1 year decrease	44	72
CPI rate +0.1%	(25)	(46)
CPI rate -0.1%	25	46

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25. Pension commitments (continued)

Share of scheme assets

The Academy's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	2,414,230	2,244,800
Property	640,510	488,000
Cash and other liquid assets	295,620	97,600
Bonds	1,576,640	2,049,600
Total market value of assets	4,927,000	4,880,000

The actual return on scheme assets was £374,452 (2021 - £500,000).

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

	2022 £	2021 £
Current service cost	983,000	680,000
Interest income	(84,000)	(65,000)
Interest cost	159,000	112,000
Total amount recognised in the Statement of Financial Activities	1,058,000	727,000

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

	2022 £	2021 £
At 1 September	9,070,000	5,497,000
Conversion of academy trusts	-	1,340,000
Interest cost	159,000	112,000
Employee contributions	97,000	88,000
Benefits paid	(41,000)	(32,000)
Actuarial gains	(4,790,000)	1,385,000
Current service cost	983,000	680,000
At 31 August	5,478,000	9,070,000

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	4,880,000	3,173,000
Transferred in on existing academies joining the trust	-	810,000
Interest income	84,000	65,000
Employee contributions	97,000	88,000
Benefits paid	(41,000)	(32,000)
Employer Contributions	375,000	341,000
Actuarial losses	(468,000)	435,000
At 31 August	4,927,000	4,880,000

26. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

Owing to the nature of the Academy 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's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place during the period.