



Educate Together Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2022

Educate Together Academy Trust

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Educate Together Academy Trust

Reference and Administrative Details

Members	Educate Together/Ag Foghlaim Le Chéile D Bruce G Hocking D MacAonghusa	
Trustees/Directors	C Aldworth (appointed 14 September 2021) X Baker Y Barker-Layton, Vice-Chair H Barrett T Brewer (resigned 7 March 2022) K Brown H Carr (resigned 31 March 2022) A Goodall, Chair F Lynch (appointed 1 September 2022) M Ryder C Shaw (appointed 24 May 2022) F Wilby (appointed 11 October 2022)	
Company Secretary	J Bremner	
Senior Management Team CEO/Accounting Officer CEO/Accounting Officer CFO Executive Headteacher (Redfield) (until 24 April 2022) / Director of Education (from 25 April 2022) Headteacher (Parklands) Headteacher (Abbey Farm) Headteacher (Mulberry Park) Headteacher (Somerdale) Headteacher (Redfield)	J Bradshaw (until 31 August 2022) S Nowak (from 1 September 2022) L Evans M Fredrickson-Barnaby J Hughes E Lindsay (from 25 April 2022) S Phillips C Thomas-Unsworth S Westerwijk (from 25 April 2022)	
Company Name	Educate Together Academy Trust	
Principal and Registered Office	Redfield Educate Together Avonvale Road Redfield Bristol, BS5 9RH	
Company Registration Number	08859774	
Independent Auditor	Monahans Fortescue House, Court Street Trowbridge BA14 8FA	
Bankers	Lloyds Bank PLC 16 The Triangle Clevedon BS21 6NG	
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham, NG2 1BJ	Blake Morgan LLP 10 Victoria Street Bristol BS1 6BN

Educate Together Academy Trust

Trustees' Report

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

In the year, the Academy Trust operated four primary academies in the Southwest of England. Its academies have a combined eventual pupil capacity of 1,260 and had a roll of 811 in the school census of May 2022, as they are all recently opened and are adding year groups each year.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Educate Together Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Educate Together Academy Trust.

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

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the trustees by virtue of any rule of law that would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the trustees knew to be a breach of trust or breach of duty or which was committed by the trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as Directors of the Academy Trust. The risk protection arrangement (RPA) provides unlimited indemnity for trustees' liability.

Method of Recruitment and Appointment or Election of Trustees

The number of Trustees that can be appointed by Members shall be between three and twelve. Trustees are appointed based on skills gaps identified by the ETAT Board. As the Trust has grown and Local Governing Boards have developed that now also allows us to have in place a succession plan from Local Governors to Trustees. The Board is keen to increase diversity and is considering using virtual meeting technology to attract Trustees from a wider geographic area as well as promoting diversity and inclusion.

Policies and Procedures Adopted for the Induction and Training of Trustees

All potential Trustees are interviewed by one or more Trustees before appointment to ensure that there is a clear expectation of the role, remit, and the amount of time they will be expected to contribute. There is also a clear outline given of the Trust's visions and values as part of the induction process.

Trustee group visits to schools have been successful and well attended. Training is promoted by the Governance Officer and access to training is through Bristol City Council Governor Development

Educate Together Academy Trust

Trustees' Report (continued)

Service, Confederation of School Trusts, Browne Jacobson, and others. Full training records are kept, and the skills of Trustees are kept under regular review to ascertain whether the needs of the Trust are being met by the skills and experience of the Trustees.

The Trust has Local Governing Boards (LGB) at all its schools and has been successful in appointing governors to vacancies. Succession planning is now in place with one Chair of a LGB now a trustee and an agreement for another chair to start in September 2022.

Our governance has been greatly enhanced by the recruitment of a Governance Officer who has responsibility for compliance. Our aim is for diversity amongst our Trustees and Governors, we have been successful in increasing our diversity in terms of background, ethnicity, and age.

Organisational Structure

The Trustees met six times during the year 2021-22. The Board sets the overall framework for the governance of the Trust, and it agrees membership of the committees, their terms of reference and operation.

The Board receives reports from the Finance Committee, the Audit & Risk Committee, the Professional Services Committee and the Education Committee at each of its meetings.

The Finance Committee meets a minimum of three times a year (2021-22: 6 meetings) and its remit is:

- To provide assurance over the suitability of, and compliance with, its financial systems, operational controls, audit arrangements and risk management. The committee will aid the Board's responsibility to ensure sound management of the Trust's finances and resources.
- To ensure that the Trust's financial structure, processes and controls are in place to achieve maximum benefit of the financial resources entrusted to the schools.
- To review and agree Trust policies in relation to finance.

The Audit & Risk Committee meets a minimum of three times a year (2021-22: 4 meetings) and its remit is:

- To monitor and assess internal controls to ensure that the Trust is working with the compliance framework of the Academy Trust Handbook and the Code of Audit Practice
- To take responsibility for the external and internal audit programme
- Ensure that a framework for the identification and management of risk is established and that the Board is made aware of current risks.
- To review and agree Trust policies in relation to audit and risk.

The Professional Services Committee meets a minimum of three times a year (2020-21: 4 quorate meetings) and its remit is:

- On behalf of the Board lead of developing and monitoring the People Strategy
- To monitor the implementation of the HR strategy with regard to equity, diversity and inclusion.
- To support the Board in providing an added level of scrutiny in the monitoring of HR and governance.
- To review and agree Trust policies in relation to HR.
- Undertake HR Data Trend analysis, supporting the identification and management of HR Risks

The Education Committee meets a minimum of three times a year (2021-22: 6 meetings) and its remit is:

- On behalf of the Board to lead on developing and monitoring the Trust's educational strategy to ensure that children get the best possible education at all the Trust's schools.
- To consider safeguarding, SEND, and equalities implications when undertaking all committee functions.
- To review and agree Trust policies in relation to educational standards at Trust level.

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Trustees' Report (continued)

The Board of Trustees have devolved responsibility for day-to-day management to the CEO who leads an Executive team, consisting of the CEO, Executive Headteacher and CFO. Reports to the Board from the Executive are effective in enabling Trustees to make key decisions that are child centred.

The Board has on the whole re-established face to face meetings for the Trust Board meetings but has continued with sub-committee meetings being online.

Each school has its own Local Governing Board and there is open communication between the boards via the Chairs forum, sharing of minutes, and representation from the Chair of the LGB and Headteachers at the Trust Board typically once a year for each school.

Arrangements for setting pay and remuneration of key management personnel

The performance review of the CEO is a Trust Board function but driven by the Professional Services Committee against objectives and other criteria as may from time to time be agreed with the CEO; to set the next year's objectives and criteria; and propose pay progression based on the outcome of the performance review.

Trade Union Facility Time

During the year, the Trust had 0 members of staff who were offered Trade Union facilities time. They spent 0% of their time on Trade Union facilities time. During the year, the Trust received £0 for their time, which equates to 0% of their wage bill. The Trust received 100% of time that member of staff carried out work for Trade Unions.

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of the Trust. The Trust is continuing to develop a closer educational relationship with Educate Together/Ag Foghlaim Le Chéile, a registered educational charity with over 40 years' experience in child-centred, democratically run and equality-based education. Educate Together/Ag Foghlaim Le Chéile is patron of 95 primary schools and 19 second level schools in Ireland, and also a founder member of the Charitable Company. Our unique Educate Together ethical curriculum and our core principles are enabling us to create a learning environment that nurtures. Our ethical Learn Together curriculum, originally developed by Educate Together in Ireland in 2004 and adapted to and integrating our National Curriculum, is taught every day.

Engagement with Employees (including disabled persons)

The Trust has prioritised staff welfare, mental health and anti racist practice. It has invested with Representation Matters health programme, which challenges the lack of representation and inequality in the education system. A Trust wide survey was conducted in May 2022.

Objectives and Activities

Objects and Aims

The Trust has four primary schools: Redfield Educate Together in Bristol, Somerdale Educate Together in Keynsham, Mulberry Park Educate Together in Bath and Parklands Educate Together in Weston-super-Mare. Abbey Farm Primary School in Swindon opens in September 2022.

The Trust is currently undertaking a trust wide exercise to review its vision, mission, values and strategic pillars and goals. These will be rolled out in 2022-23. The objectives underpinning these will also be refreshed.

Our unique ethical curriculum and our core principles enable us to create a learning environment that nurtures, encourages and builds the skills children will need in our increasingly diverse and globalised world. We run equality-based schools where no child is an outsider and we learn together to live

Educate Together Academy Trust

Trustees' Report (continued)

together. We aim to develop the whole child, encouraging their individuality, respecting each child's identity and respecting that of their family equally.

We work hard to create a positive, comfortable atmosphere in all our schools nurturing each child as an individual. The underlying concept is that human diversity enhances life, enriches culture and provides huge educational resources for current society and its future social, cultural and economic prosperity. Each school is different and meets the needs and aspirations of their local community and parents however each school adheres to these values and core principles.

ETAT Vision

Day by day we question whether what we do is for the children's learning and the children's welfare. It is important to have high academic standards alongside a creative and ethical curriculum.

ETAT Core Principles:

We create a positive, comfortable atmosphere in all our schools, nurturing each child as an individual. Each school is different and meets the needs and aspirations of their community and parents however each school adheres to 4 core principles:

1. Equality based i.e. all children having equal rights of access to the school, and children of all social, cultural and religious backgrounds being equally respected.
2. Co-educational, all children are encouraged to explore their full range of abilities and opportunities.
3. Child-centred, in that we put the children at the heart of every decision and activity. If it is not for children's learning or welfare then why do it?
4. Democratically run with active participation by parents, pupils and the community in the daily life of the school, whilst positively affirming the professional role of teachers.

We actively encourage and teach children to be proactive participants in our world, questioning and reflecting on all that life brings them.

Our ethical curriculum, 'Learn Together', is taught daily, integrated with the National Curriculum. Children will be 'secondary ready' with core skills of Maths, English, Science and all the usual subjects alongside other skills to enable them to be proactive citizens. High standards in a rich knowledge and skills based academic and non-academic curriculum are the expectation.

Objectives, Strategies and Activities

ETAT objectives:

1. School Improvement and Our Children
 - Promote and embed the ETAT ethos vision and values in all the teaching and the day to day, operations of each school.
 - Develop a new comprehensive Trust wide strategy for the development of teaching and learning, linked to key values and ethos
 - Increase the attainment and progression of all children underpinned by the provision of outstanding learning and teaching.
 - Attain excellence in our Learn Together Curriculum.
 - Work collaboratively with all stakeholders to develop and implement policies and practice to improve the well-being of staff, children and families.
 - Ensure there is a focused school improvement strategy which has a measurable impact across the trust, leading to excellent outcomes and external judgements that reflect the quality of our work.
 - Ensure that our ethics and ethos are integral in our school improvement strategy and visible in our day-to-day work life and interaction with our school communities.

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Trustees' Report (continued)

- Effective scrutiny by trustees and governors that supports leaders in their pursuit of educational excellence and providing a safe learning and working environments for all schools
- Ensure children and staff maintain good mental health and develop safe healthy relationships
- Ensure excellent parental engagement and confidence.

2. Our People

- Robust oversight from leaders and governors ensures that staff in all roles are confident, highly skilled and able to provide an exemplar for others to follow.
- Recruit and retain the best talent as well as keep our staff feeling valued and motivated.
- Implement a trust wide teaching and learning programme that ensures all our staff have the right skills to further raise standards, deliver good teaching and learning and share good practice.
- Focused training and development, providing additional career opportunities.
- Continue to ensure that staff well-being is fully supported and provided.
- Work collaboratively across the Trust to ensure shared good practice.

3. Our Trust Strength and Growth

- Continue to increase financial strength and sustainability and effective financial management. Well-managed finances ensure the Trust maintains its viability and is able to grow as well as invest in its schools.
- A commitment to provide quality-assured services to keep our schools legal, financially robust and continually improving.
- Ensuring consistent application and review of policies, processes and procedures across the Trust, with consequent reduction in risks
- Implement risk management framework and exemplary financial controls to demonstrate consistently positive internal and external audit outcomes.
- Successful opening of Abbey Farm School in 2022
- Committed to measured and sustainable growth – making sure to only add new schools once current schools are fully supported and financially viable
- Robust accountability framework to enable us to continue to work strategically towards the trust's objectives.
- Provide a collaborative responsibility for ensuring the betterment of the Trust and the schools, sharing best practice, assets and resources.
- To grow the Trust in order to support schools and communities in need, to enhance our capacity and to ensure sustainability
- Continue to build and develop a strong Central Services team and infrastructure to continue to improve and support the schools
- Board and committees are able to fill vacancies and maintain strong skill set.
- To develop partnerships in order to enhance our provision, skills and capacity to improve.

4. Our Commitment to Inclusion and Closing the Gap

- Aim for an inclusive Trust where we can aspire to have no child as an outsider.
- Develop a clear understanding of SEND and disadvantaged need and capacity within the Trust.
- In line with the trust's ethos and values, support all children to achieve their individual best, regardless of their starting point or circumstance with a special focus on reducing the attainment gap of disadvantaged children.
- Ensure that SEND children make good progress from their starting points and that their needs are identified early and appropriate provision and interventions are in place.
- Develop a broad understanding of strengths and areas for further improvement to support the identification of MAT wide strategic priorities.
- Ensure that the executive leadership team have a clear understanding of the progress and attainment of learners with SEND and how these compare with national data and with other learners across the MAT

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Trustees' Report (continued)

- Ensure effective and consistent implementation of the Graduated Approach (assess, plan, do, review) to SEND support across each school so that SEND children make good progress from their starting points, their needs are identified early, appropriate provision and interventions are in place and there is equitable provision across the MAT.

5. Our Culture

The Trust allows the leadership of all schools to concentrate on the single, most important thing that it does; to continually improve the quality of teaching and learning in every classroom, ensuring that the young people in our care get the best possible opportunity in life. The Trust is ethically led, staff welfare is paramount.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

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

Strategic Report

Achievements and Performance

Statutory data for 2021/22 is as follows:

	Mulberry Park	Parklands	Redfield	Somerdale
GLD	83%	64%	64%	57%
Y1 Phonics	83%	80%	59%	87%
Y2 Phonics	84%	91%	93%	100%
KS1 Reading	59% (17%GD)	71% (26% GD)	38% (14% GD)	84% (32% GD)
KS1 Writing	37% (4% GD)	65% (10% GD)	46% (4% GD)	55% (7% GD)
KS1 Maths	50% (8% GD)	77% (13% GD)	35% (15% GD)	84% (16% GD)
KS2 Reading	n/a	n/a	75% (25% GD)	n/a
KS2 Writing	n/a	n/a	43% (GD)	n/a
KS2 GPS	n/a	n/a	64% (21% GD)	n/a
KS2 Maths	n/a	n/a	52% (18% GD)	n/a

There are a number of areas of concern in the 21/22 data. In particular, the key priorities for improvement are:

- Writing across the Trust
- Standards across the board at RET
- GLD (Good Level of Development) in PET, RET and SET.

We have analysed the results and identified a range of contributing factors including increased SEND and SEMH needs and staff absence / inconsistencies in practice including in Assessment for Learning (AfL). We have put additional staffing and expertise in place to address these priorities and implemented robust systems and structures for cross-trust moderation and support with planning and assessment. We have also increased capacity for SEND and SEMH.

All schools have robust screening for speech and language on entry and have early interventions in place. We have identified a marked rise in speech and language needs following the Covid pandemic. Our SEND reports are comprehensive and ambitious. We have established drive groups in English,

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Trustees' Report (continued)

EYFS, maths and Learn Together to share best practice and expertise across all schools. We have an Education Advisory team which includes a specialist in SEND and inclusion working alongside Head Teachers to develop practice and raise standards.

Three schools hold Rights Respecting Awards (two gold and one bronze).

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In the period under review £300k was held in free reserves representing 5% of total income.

A termly benchmarking exercise is completed for all schools using the national benchmarking template. However the Trust's use of KPIs and benchmarking against other Trusts is limited by the Trust's unique position of only having recently opened schools. This does not allow for reliable comparative analysis when benchmarking.

Going Concern

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

Financial Review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purpose. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year ended 31 August 2022, the Trust (excluding the restricted fixed asset fund and pension funds) received total income of £5.8m and incurred total expenditure of £5.7m. The excess of income over expenditure for the year was £100k, when transfers from the revenue funds to the capital funds are included the revenue funds have decreased by £126k during the year (page 40).

At 31 August 2022 the net book value of tangible fixed assets was £30.02m and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academies and for the development work of the Trust.

Reserves Policy

The Trustees review the reserves levels of the Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty of future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of revenue reserves should be approximately 5% of total unrestricted and restricted income. This is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance of school premises.

Total reserves of the Trust, excluding the pension scheme liability, amount to £30.5m. Of this, £30.2m is invested in fixed assets or represents non-GAG restricted funds. The remaining £0.3m (representing unrestricted funds and GAG restricted funds) is the balance that the Trustees monitor in accordance with the Trust's reserves policy.

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Trustees' Report (continued)

As at 31 August 2022 the Trust agreed to pool its general revenue and GAG revenue reserves for its academies and therefore all Trust free reserves will be shown within the central reserves fund.

Investment Policy

All funds surplus to immediate requirements are invested into deposit accounts.

Principal Risks and Uncertainties

The Trust has undertaken a review of the Trust's approach to Risk Management and is part way through implementing an improved approach.

The Board receive termly (six times a year) detailed management accounts which allows the Trustees to measure financial performance against budget, key performance indicators and national benchmarking. Trustees also regularly receive cash flow forecasts, balance sheets and income and expenditure analysis. School level management accounts are now presented at the local governing board meetings and there is a greater financial awareness across the trust of the importance of obtaining value for money.

Financial – The Trust has considerable reliance on the provision of Government funding to ensure continuity. 94% of the Trust's funding is from this source and whilst it is unlikely that these funds would cease, there is no assurance or guarantee that a change in government or policy would not have an adverse effect.

Fraud and fund mismanagement – The Trust uses Monahans as its external auditors who audit to ensure regularity and adherence to the Academy Trust Handbook. At the start of 2020-21 we appointed Academy Advisory as our Internal Auditor.

Staffing – All organisations are reliant upon their staff to be successful and be fulfilling places to work and learn. The Trust places a huge emphasis on the well-being of its staff. The organisation attracts a high level of candidates for each vacancy and has relatively high retention rates.

Pupil Numbers - The Trust is considerably reliant upon pupil numbers for its funding and as it carries a higher level of cost per school per pupil than other schools being composed of all recently opened schools; this presents a significant risk. Attracting and retaining pupils is important despite three of the schools continuing to be oversubscribed at reception intake. The Trust is managing the numbers on roll and retention by improving educational achievements and outcomes.

Fundraising

The Trust's approach to fund raising is centred on its founding principles and therefore is community and family focused. It is also limited by the balance of staffing resources and expenditure. This has raised awareness amongst the headteachers of the need to look for alternative income sources for their schools. The central business team also undertake a remunerated consultancy role in another MAT. Fundraising is through parent groups in all schools, but again this has been limited by Covid.

Streamlined energy and carbon reporting

As the academy trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

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Trustees' Report (continued)

Plans for Future Periods

The Trust is submitting a bid to open two new primary schools in Swindon through Wave 15 of the DfE free school build programme. Outside of this, growth will focus on attracting new schools to the Trust in the areas that the Trust currently operates. This will focus on two potential routes: attracting academy converters and working with small MATs/SATs that would be able to join with Educate Together Academy Trust.

The Trust is seeking to further develop strong relationships with other MATs, LAs and schools in the communities that the academies with the Trust currently serve. The aim of this is to develop stronger practice, which is informed by the needs of the communities that the schools serve. Ultimately, this will assist in our pursuit of educational excellence.

Over the coming academic year, the Trust is focusing on further developing its school improvement offer so that all pupils can achieve excellent outcomes. This will include developing more depth to our school to school working in the interest of organisational learning and development of practice.

The Trust is continuing to consolidate a centralised strategy through its expertise and services. This supports educational excellence and value for money by realising cost savings and increased effectiveness across the Trust.

Funds Held as Custodian Trustee on Behalf of Others


The Trust and its trustees do not act as the Custodian Trustee for any other Charity.

Auditor

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 8 December 2022 and signed on the board's behalf by:



A Gordall
Chair of Trustees
8 December 2022

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Governance Statement

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Educate Together Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
K Aldworth (appointed 14 September 2021)	6	7
X Baker	6	7
Y Barker-Layton, Vice-Chair	5	7
H Barrett	7	7
T Brewer (resigned 7 March 2022)	1	4
K Brown	5	7
H Carr (resigned 31 March 2022)	3	5
A Goodall, Chair	7	7
M Ryder	6	7
C Shaw (appointed 24 May 2022)	2	2

The Finance committee's purpose is to be responsible for the sound financial management of the school and will take the lead on general matters relating to buildings and premises, with the long-term welfare of the staff and children uppermost in its priorities. It will ensure solvency and probity and ensure that financial resources, made available to the Academy, are managed effectively. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
X Baker	4	5
Y Barker-Layton	3	5
H Barrett	5	5
M Ryder, Chair	5	5

The Audit and Risk Committee also acts as an Audit Committee in ensuring compliance with external regulation and statutory duties. The committee assesses the risks that the Trust are facing on an ongoing basis and is responsible for the oversight of the internal audit programme. Attendance at meetings in the year was as follows:

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Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
X Baker	4	4
H Barrett, Chair	4	4
M Ryder	4	4

Review of Value for Money

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

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

- Ensuring that there is in place a robust system of competitive procurement for all Trust and Academies' purchases utilising where appropriate national established procurement frameworks.
- Ensuring that all major purchases are subject to a quotation and full review process.
- Taking responsibility for equipment and ICT purchases for new Academies' buildings.
- Ensuring that the internal audit programme is bespoke and provides assurance that the system of internal control is functioning properly throughout 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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Educate Together Academy Trust for the year to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;

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Governance Statement (continued)

- clearly defined purchasing (asset purchase or capital investment) guidelines; and
- identification and management of risks.

The board of trustees has decided to buy-in an internal audit service from Academy Advisory. Internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial and other systems. In particular the checks carried out in the current period included:

- Testing of student data systems
- A review of ring-fenced funding, including pupil premium, SEND, sports premium
- Testing of ICT controls, including cybercrime
- A review of central team capacity

On a termly basis, the internal auditor reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the internal auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of Effectiveness

As Accounting Officer, the CEO, 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 auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 8 December 2022 and signed on its behalf by



A Goodall
Chair of Trustees



S Nowak
Accounting Officer

Educate Together Academy Trust

Statement of Regularity, Propriety and Compliance

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

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

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



S Nowak
Accounting Officer
8 December 2022

Educate Together Academy Trust

Statement of Trustees' Responsibilities

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 & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

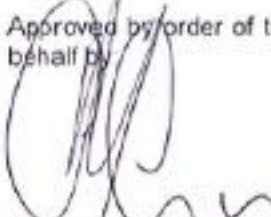
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 8 December 2022 and signed on its behalf by



A Goodfall
Chair of Trustees

Educate Together Academy Trust

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

Opinion

We have audited the financial statements of Educate Together Academy Trust (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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' and the Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. Other information includes Reference and Administrative details, Trustees Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities Statement.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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:

Educate Together Academy Trust

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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:

Based on our understanding of the academy and the education sector, we identified that the principal risks of non-compliance with laws and regulations related to the regulations prescribed in the Academy Trust Handbook, safeguarding, health and safety, employment law, and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements of the academy. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Academies Accounts Direction, Charities Statement of Recommended Practice and Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to revenue recognition and management override. Audit procedures performed by the audit engagement team included:

- Enquiry of management and those charged with governance about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities and fraud;
- Reviewing minutes of meetings of those charged with governance;

Educate Together Academy Trust

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

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing analytical procedures to identify any unusual or unexpected relationship that might indicate a risk of material misstatement due to fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and the transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Gare (Senior Statutory Auditor)
for and on behalf of Monahans
Statutory Auditor, Chartered Accountants
Fortescue House, Court Street
Trowbridge, BA14 8FA

Date: 14 December 2022.....

Educate Together Academy Trust

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

In accordance with the terms of our engagement letter dated 7 October 2022 and further to the requirements of the Education & 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 Educate Together Academy Trust during the year 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 Educate Together Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Educate Together Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Educate Together Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Educate Together Academy Trust's funding agreement with the Secretary of State for Education dated 24 January 2014 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 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 Academies Accounts Direction 2021 to 2022 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Educate Together Academy Trust

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

The work undertaken to draw to our conclusion includes:

- Enquiry of senior management and the Academy Trustees;
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest;
- Consideration of governance issues;
- Observation and re-performance of the financial controls; and
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 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.



James Gare (Reporting Accountant)
Monahans
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 14 December 2022

Educate Together Academy Trust

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 August 2022

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021/22	Total 2020/21
	Note	£000	£000	£000	£000	£000
Income and endowments from:						
Donations and capital grants	2	-	152	7,189	7,341	33
Charitable activities	3	226	5,275	-	5,501	4,681
Other trading activities	4	133	-	-	133	41
Investments	5	-	-	-	-	-
Total		359	5,427	7,189	12,975	4,755
Expenditure on:						
Charitable activities		(432)	(5,848)	(493)	(6,773)	(5,480)
Total	6	(432)	(5,848)	(493)	(6,773)	(5,480)
Net income / (expenditure) before transfers		(73)	(421)	6,696	6,202	(725)
Transfers between funds	16	12	(181)	169	-	-
Net (expenditure)/ income before other recognised gains / (losses)		(61)	(602)	6,865	6,202	(725)
Other recognised gains / (losses):						
Actuarial gains / (losses) on defined benefit pension schemes	24	-	2,081	-	2,081	(321)
Net movement in funds		(61)	1,479	6,865	8,283	(1,046)
Reconciliation of funds:						
Total funds brought forward		226	(1,468)	23,151	21,909	22,955
Total funds carried forward		165	11	30,016	30,192	21,909

The notes on pages 24 to 44 form part of these financial statements.

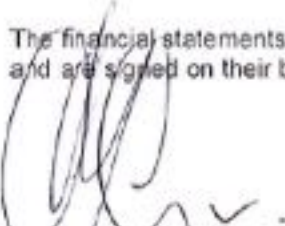
Educate Together Academy Trust

Balance Sheet as at 31 August 2022

Company Number 08859774

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	13		30,016		23,151
Current assets					
Debtors	14	407		226	
Cash at bank and in hand	21	876		965	
		<u>1,283</u>		<u>1,191</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	(753)		(535)	
Net current assets			<u>530</u>		<u>656</u>
Total assets less current liabilities			30,546		23,807
Defined benefit pension scheme liability	24		(354)		(1,898)
Total net assets			<u>30,192</u>		<u>21,909</u>
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	16	30,016		23,151	
Restricted income fund	16	365		430	
Pension reserve	16	(354)		(1,898)	
Total restricted funds			30,027		21,683
Unrestricted income funds	16		165		226
Total funds			<u>30,192</u>		<u>21,909</u>

The financial statements were approved by the trustees and authorised for issue on 8 December 2022 and are signed on their behalf by:



A Goodall
Chair of Trustees

The notes on pages 24 to 44 form part of these financial statements.

Educate Together Academy Trust

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities:			
Net cash provided by operating activities	20	<u>80</u>	<u>42</u>
Cash flows from investing activities:			
Interest received		-	-
Purchase of tangible fixed assets		<u>(169)</u>	<u>(181)</u>
		<u>(169)</u>	<u>(181)</u>
Change in cash and cash equivalents in the reporting period		(89)	(139)
Cash and cash equivalents brought forward		<u>965</u>	<u>1,104</u>
Cash and cash equivalents carried forward	21	<u>876</u>	<u>965</u>

The notes on pages 24 to 44 form part of these financial statements.

Educate Together Academy Trust

Notes to the Financial Statements

1 Accounting policies

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

1.1 Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going Concern

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

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

Educate Together Academy Trust

Notes to the Financial Statements

1 Accounting policies (continued)

- **Donated fixed assets**

Donated fixed assets are measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor will be used. The individual academy buildings donated by Local Authorities are included at cost to the donor. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

- **Other income**

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

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.

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the DfE group.

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.6 Tangible Fixed Assets and Depreciation

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

Educate Together Academy Trust

Notes to the Financial Statements

1 Accounting policies (continued)

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold buildings	-	See below
Leasehold improvements	-	10%
Fixtures and equipment	-	10%
Computer equipment	-	25%

Where an asset (leasehold buildings) comprises two or more components which have substantially different lives each component is depreciated separately over its useful economic life, as follows:

Main building fabric	-	1%
Roof	-	1.5%
Windows & Doors	-	3.3%
Boiler	-	6.6%
Bathrooms	-	5%
Kitchens	-	3.3%
Electrics	-	2.5%

Only the value of school buildings is included in leasehold buildings, as it is impractical to value the land on which the school buildings are located.

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 Liabilities

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

1.8 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Educate Together Academy Trust

Notes to the Financial Statements

1 Accounting policies (continued)

1.9 Leased Assets

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

1.10 Financial Instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Taxation

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

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

1.12 Pensions Benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The

Educate Together Academy Trust

Notes to the Financial Statements

1 Accounting policies (continued)

difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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.

Donated fixed assets are measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor will be used. The individual academy buildings donated by Local Authorities are included at an estimate of cost to the donor.

There was a change in depreciation policy and from 1 September 2018 where an asset comprises of two or more components, for example roof, boiler and kitchens each component is depreciated separately over its useful economic life.

Critical areas of judgement

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2 Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total funds 2021/22	Total funds 2020/21
	£000	£000	£000	£000
Capital grants	-	127	127	21
Donated fixed assets	-	7,189	7,189	8
Other donations	-	25	25	4
	<u>-</u>	<u>7,341</u>	<u>7,341</u>	<u>33</u>
Total 2020/21	<u>-</u>	<u>33</u>	<u>33</u>	

Educate Together Academy Trust

Notes to the Financial Statements

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds	Restricted Funds	Total Funds 2021/22	Total Funds 2020/21
	£000	£000	£000	£000
DfE / ESFA grants				
General annual grant (GAG)	-	3,977	3,977	3,269
Other DfE / ESFA grants				
UFSM		164	164	158
Pupil Premium	-	227	227	180
Teachers' Pensions Employer Contribution Grant		7	7	110
Start up grant	-	100	100	90
Others		259	259	157
		<u>4,734</u>	<u>4,734</u>	<u>3,964</u>
Other government grants				
Local Authority grants	-	491	491	519
	-	<u>491</u>	<u>491</u>	<u>519</u>
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	21	21	55
Other DfE/ESFA COVID-19 funding	-	13	13	13
	-	<u>34</u>	<u>34</u>	<u>68</u>
Other income				
Other income from the Academy Trust's educational operations	226	16	242	130
	<u>226</u>	<u>5,275</u>	<u>5,501</u>	<u>4,681</u>
Total 2020/21	128	4,553	4,681	

The academy trust received £21k of funding for catch-up premium and costs incurred in respect of this funding totalled £21k.

4 Other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2021/22	Total Funds 2020/21
	£000	£000	£000	£000
Hire of facilities	50	-	50	23
Income from other charitable activities	2	-	2	1
Income from ancillary trading activities	81	-	81	17
	<u>133</u>	<u>-</u>	<u>133</u>	<u>41</u>
Total 2020/21	41	-	41	

Educate Together Academy Trust

Notes to the Financial Statements

5 Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2021/22	Total Funds 2020/21
	£000	£000	£000	£000
Bank interest	-	-	-	-
Total 2020/21	-	-	-	-

6 Expenditure

	Staff Costs	Non-Pay Expenditure		Total 2021/22	Total 2020/21
		Premises	Other		
	£000	£000	£000	£000	£000
Academy's educational operations:					
Direct costs	3,194	475	585	4,254	3,502
Support costs	1,443	373	703	2,519	1,978
	<u>4,637</u>	<u>848</u>	<u>1,288</u>	<u>6,773</u>	<u>5,480</u>
Total 2020/21	<u>3,664</u>	<u>903</u>	<u>913</u>	<u>5,480</u>	

Net income/(expenditure) for the period includes:

	Total 2021/22	Total 2020/21
	£000	£000
Operating lease rentals	35	29
Depreciation	493	476
Fees payable to auditor for:		
- audit	11	10
- other services	<u>3</u>	<u>8</u>

7 Charitable activities

	Total 2021/22	Total 2020/21
	£000	£000
Direct costs – educational operations	4,254	3,502
Support costs – educational operations	2,519	1,978
	<u>6,773</u>	<u>5,480</u>

Educate Together Academy Trust

Notes to the Financial Statements

8 Analysis of support costs

	Total 2021/22 £000	Total 2020/21 £000
Support staff costs	1,443	1,030
Depreciation	18	20
Technology costs	71	57
Premises costs	355	427
Legal costs - other	7	11
Other support costs	600	409
Governance costs	25	24
Total support costs	2,519	1,978

9 Staff

a. Staff costs

Staff costs during the period were:

	Total 2021/22 £000	Total 2020/21 £000
Wages and salaries	3,220	2,626
Social security costs	289	234
Pension costs	1,128	798
	<u>4,637</u>	<u>3,658</u>
Agency staff costs	268	191
Staff restructuring costs	-	6
	<u>4,905</u>	<u>3,855</u>
Staff restructuring costs comprise:		
Severance payments	-	6
	<u>-</u>	<u>6</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2021: £5,781). Individually, the payments were: £nil (2021: £5,781).

c. Staff numbers

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

	2021/22 No.	2020/21 No.
Teachers	45	37
Administration and support	107	78
Management	7	6
	<u>159</u>	<u>121</u>

Educate Together Academy Trust

Notes to the Financial Statements

9 Staff (continued)

The average number of persons (full time equivalent) employed by the Academy Trust during the year was as follows:

	2021/22	2020/21
	No.	No.
Teachers	41	34
Administration and support	60	45
Management	6	6
	<u>107</u>	<u>85</u>

d. Higher paid staff

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

	2021/22	2020/21
	No.	No.
£60,001 - £70,000	3	1
£70,001 - £80,000	1	-
£80,001 - £90,000	1	2

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £589,000 (2021: £539,000).

10 Central services

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

- Human Resources
- Financial Services
- Educational Support Services
- Legal Services
- Premises Support
- Strategic Governance

The Academy Trust charges for these services on the following basis:

- 11.1%-16.0% (2021: 11.9%-15.8) of General Annual Grant (GAG); and
- 100% of grants towards the opening of new academies.

Educate Together Academy Trust

Notes to the Financial Statements

10 Central services (continued)

The actual amounts charged in the year were as follows:

	2021/22 £000	2020/21 £000
Abbey Farm Pre-Development grant (DfE)	100	90
Mulberry Park Educate Together Academy	60	49
Parklands Educate Together Academy	149	97
Redfield Educate Together Academy	211	244
Somerdale Educate Together Academy	87	72
	<u>607</u>	<u>552</u>

11 Related party transactions - Trustees' remuneration and expenses

No trustees have been paid remuneration or has received other benefits from employment with the Academy Trust.

During the period ended 31 August 2022, travel and subsistence expenses totalling £161 were reimbursed or paid directly to two Trustees (2021: £nil to no Trustees).

12 Trustee's and officer's insurance

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

13 Tangible fixed assets

	Leasehold buildings £000	Leasehold improvements £000	Fixtures and equipment £000	Computer equipment £000	Total £000
Cost					
At 1 September 2021	24,000	124	335	337	24,796
Additions	6,979	21	215	143	7,358
At 31 August 2022	<u>30,979</u>	<u>145</u>	<u>550</u>	<u>480</u>	<u>32,154</u>
Depreciation					
At 1 September 2021	1,345	16	88	196	1,645
Charge for the year	382	13	36	62	493
At 31 August 2022	<u>1,727</u>	<u>29</u>	<u>124</u>	<u>258</u>	<u>2,138</u>
Net book value					
At 31 August 2022	<u>29,252</u>	<u>116</u>	<u>426</u>	<u>222</u>	<u>30,016</u>
At 31 August 2021	<u>22,655</u>	<u>108</u>	<u>247</u>	<u>141</u>	<u>23,151</u>

Educate Together Academy Trust

Notes to the Financial Statements

14 Debtors

	2022	2021
	£000	£000
Trade debtors	15	17
VAT recoverable	76	52
Other debtors	-	1
Prepayments and accrued income	316	156
	<u>407</u>	<u>226</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	284	169
Other taxation and social security	71	61
ESFA creditor: abatement of GAG	51	68
Other creditors	81	65
Accruals and deferred income	286	172
	<u>753</u>	<u>535</u>

	2022	2021
	£000	£000
Deferred income at 1 September 2021	144	139
Released from previous years	(144)	(139)
Resources deferred in the year	175	144
Deferred income at 31 August 2022	<u>175</u>	<u>144</u>

At the balance sheet date the Academy Trust was holding funds of £97k received in advance for Universal Infant Free School Meals for the 22/23 academic year, funds of £14k received in advance for Devolved Formula Capital funding in the 22/23 academic year, funds of £4k for school-led tutoring clawback, funds of £10k for sports premium clawback, funds of £12k received in advance for Pre-School funding from a Local Authority for the 22/23 academic year, funds of £18k for rates relief for the 22/23 academic year, funds of £9k for lettings taking place in the 22/23 academic year, funds of £9k received in advance for clubs taking place in the 22/23 academic year and funds of £2k received on account for pupil lunches in 22/23 academic year.

Educate Together Academy Trust

Notes to the Financial Statements

16 Funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Unrestricted funds					
Designated funds					
Staff absence fund	12	-	(9)	12	15
Trust improvement fund	-	-	-	-	-
	<u>12</u>	<u>-</u>	<u>(9)</u>	<u>12</u>	<u>15</u>
General funds					
General funds	214	359	(423)	-	150
Total unrestricted funds	<u>226</u>	<u>359</u>	<u>(432)</u>	<u>12</u>	<u>165</u>
Restricted general funds					
General annual grant (GAG)	173	3,977	(3,972)	(39)	139
Pupil premium	-	227	(160)	-	67
High needs	-	237	(237)	-	-
Universal infant free school meals	-	164	(164)	-	-
Catch-up premium	-	21	(21)	-	-
Other DfE/ESFA COVID-19 funding	-	13	(13)	-	-
Devolved formula capital	7	23	(7)	(11)	12
PE sports grant	42	60	(102)	-	-
Pre-opening grant	99	100	(148)	(3)	48
Post opening grant – LA	-	77	(77)	-	-
Pre-school – LA	-	162	(162)	-	-
FFE grant - LA	109	10	(3)	(24)	92
Other restricted funds	-	356	(245)	(104)	7
Pension reserve	(1,898)	-	(537)	2,081	(354)
	<u>(1,468)</u>	<u>5,427</u>	<u>(5,848)</u>	<u>1,900</u>	<u>11</u>
Restricted fixed asset funds					
Fixed assets purchased from GAG and other restricted funds	490	-	(105)	169	554
Fixed assets donated by Local Authority	22,654	-	(373)	-	22,281
Fixed assets donated by DfE	7	7,189	(15)	-	7,181
	<u>23,151</u>	<u>7,189</u>	<u>(493)</u>	<u>169</u>	<u>30,016</u>
Total restricted funds	<u>21,683</u>	<u>12,616</u>	<u>(6,341)</u>	<u>2,069</u>	<u>30,027</u>
Total funds	<u>21,909</u>	<u>12,975</u>	<u>(6,773)</u>	<u>2,081</u>	<u>30,192</u>

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

Educate Together Academy Trust

Notes to the Financial Statements

16 Funds (continued)

Fund transfers

The transfer from the restricted funds to the restricted fixed asset funds represents the total capital expenditure funded from GAG Local Authority funds and donations during the year.

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

Unrestricted funds

Staff absence designated fund – Funds have been designated to cover any senior leader absence across the Trust.

Trust improvement fund – Funds held over the reserves level of 5% of total income are designated into this fund to fund further improvement across the Trust.

Restricted funds

General annual grant – This represents funding received from the ESFA, which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil premium – This represents funding received from the ESFA to improve education outcomes for disadvantaged pupils. Eligible pupils include those eligible for free school meals (or have been eligible in the past 6 years), previously looked after children and service children.

High needs – This represents funding received by the Local Authority to fund further support for pupils with additional needs.

Universal infant free school meals (UIFSM) – This represents funding received from the ESFA to enable the Academy Trust to offer free school meals to every pupil in reception, year 1 and year 2.

Catch-up premium – This represents the one-off funding received in the 2021/22 academic year to support children to catch up from school closure time during COVID.

Other DfE/ESFA COVID-19 funding – This represents the funding received for school-led tutoring in 2021/22.

Devolved formula capital - This represents funding received from the ESFA to cover the maintenance and purchase of Academy's assets.

PE sports grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Pre-opening grant – This represents funding received from the Local Authorities/DfE to support the opening of new academies.

Post opening grant - This represents funding received from the ESFA to contribute to the costs associated with opening any academy which is operating below capacity, such as providing resources and leadership.

Pre-school – This represents funding received from the Local Authority for the pre-school provision at Parklands Academy and Somerdale Academy.

FFE grant – This represents funding received from the Local Authority to purchase IT equipment and furniture in the new academies.

Educate Together Academy Trust

Notes to the Financial Statements

16 Funds (continued)

Pension reserve – This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets. The Academy Trust is following actuary recommendations to reduce the deficit by making additional contributions over a number of years.

Restricted fixed asset funds

Fixed assets purchased from GAG and other restricted funds – This represents amounts spent on fixed assets from the GAG and Devolved Formula Capital funding received from the ESFA, as well as a furniture grant from the Local Authority.

Fixed assets donated by Local Authority – This represents the buildings occupied by the Academies within the Academy Trust.

Fixed assets donated by DfE – This represents the laptops received from DfE during COVID-19.

Educate Together Academy Trust

Notes to the Financial Statements

16 Funds (continued)

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Unrestricted funds					
Designated funds					
Staff absence fund	-	-	-	12	12
General funds					
General funds	111	169	(54)	(12)	214
Total unrestricted funds	111	169	(54)	-	226
Restricted general funds					
General annual grant (GAG)	340	3,269	(3,345)	(91)	173
Pupil premium	-	180	(180)	-	-
High needs	-	189	(189)	-	-
Universal infant free school meals	-	158	(158)	-	-
Catch-up premium	-	55	(55)	-	-
Other DfE/ESFA COVID- 19 funding	-	13	(13)	-	-
Devolved formula capital	5	21	(19)	-	7
PE sports grant	51	68	(77)	-	42
Pre-development grant	32	90	(23)	-	99
Post opening grant – LA	71	99	(170)	-	-
Pre-school – LA	-	167	(167)	-	-
FFE grant - LA	166	61	(31)	(87)	109
Other restricted funds	-	208	(205)	(3)	-
Pension reserve	(1,259)	-	(318)	(321)	(1,898)
	(594)	4,578	(4,950)	(502)	(1,468)
Restricted fixed asset funds					
Fixed assets purchased from GAG and other restricted funds	411	-	(102)	181	490
Fixed assets donated by Local Authority	23,027	-	(373)	-	22,654
Fixed assets donated by DfE	-	8	(1)	-	7
	23,438	8	(476)	181	23,151
Total restricted funds	22,844	4,586	(5,426)	(321)	21,683
Total funds	22,955	4,755	(5,480)	(321)	21,909

Educate Together Academy Trust

Notes to the Financial Statements

16 Funds (continued)

Total funds analysis by academy

Fund balances as at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
Mulberry Park Educate Together Academy	68	119
Parklands Educate Together Academy	25	78
Redfield Educate Together Academy	39	363
Somerdale Educate Together Academy	46	65
Central services	352	31
Total before fixed assets and pension reserve	<u>530</u>	<u>656</u>
Restricted fixed asset fund	30,016	23,151
Pension reserve	(354)	(1,898)
Total	<u><u>30,192</u></u>	<u><u>21,909</u></u>

From 31 August 2022 the Trust agreed to pool its general revenue and GAG revenue reserves for its academies and therefore all Trust free reserves will be shown within the central reserves fund.

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 2021/22 £000	Total 2020/21 £000
	£000	£000	£000	£000	£000	£000
Mulberry Park ET Academy	419	118	43	193	773	556
Parklands ET Academy	725	119	65	167	1,076	848
Redfield ET Academy	1,299	234	139	426	2,098	1,946
Somerdale ET Academy	632	118	57	222	1,029	846
Central services	119	356	18	274	767	490
	<u><u>3,194</u></u>	<u><u>945</u></u>	<u><u>322</u></u>	<u><u>1,282</u></u>	<u><u>5,743</u></u>	<u><u>4,686</u></u>

Educate Together Academy Trust

Notes to the Financial Statements

17 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	30,016	30,016
Current assets	165	1,118	-	1,283
Current liabilities	-	(753)	-	(753)
Pension scheme liability	-	(354)	-	(354)
Total net assets	165	11	30,016	30,192

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	23,151	23,151
Current assets	226	965	-	1,191
Current liabilities	-	(535)	-	(535)
Pension scheme liability	-	(1,898)	-	(1,898)
Total net assets	226	(1,468)	23,151	21,909

18 Capital commitments

	2022 £000	2021 £000
Contracted for, but not provided in the financial statements	17	6

19 Long-term commitments including operating leases

Operating Leases

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

	2022 £000	2021 £000
Amounts due within one year	4	26
Amounts due between one and five years	5	-
Amounts due after five years	-	-
	9	26

Educate Together Academy Trust

Notes to the Financial Statements

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

	2021/22 £000	2020/21 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	6,202	(725)
Adjusted for:		
Depreciation charges	493	476
Donation of tangible fixed asset	(7,189)	(8)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable (note 24)	498	290
Defined benefit pension scheme finance cost (note 24)	31	22
Defined benefit pension scheme admin expenses (note 24)	8	6
(increase)/decrease in debtors	(181)	45
Increase/(Decrease) in creditors	218	(64)
Net cash provided by/(used in) operating activities	80	42

21 Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	876	965
	<u>876</u>	<u>965</u>

22 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash	965	(89)	876
Total	<u>965</u>	<u>(89)</u>	<u>876</u>

23 Members' Liability

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

24 Pension obligations

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

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

Contributions amounting to £77,000 were payable to the schemes at 31 August 2022 (2021: £62,000) and are included within creditors.

Educate Together Academy Trust

Notes to the Financial Statements

24 Pension obligations (continued)

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 teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £424,000 (2021: £354,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £280,000 (2021: £215,000), of which employer's contributions totalled £198,000 (2021: £149,000) and employees' contributions totalled £82,000 (2021: £66,000). The agreed contribution rates for future years are 12.7% - 16.0% for employers and 5.5% - 12.5% for employees.

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

Educate Together Academy Trust

Notes to the Financial Statements

24 Pension obligations (continued)

Principal actuarial assumptions

	2022	2021
Rate of increase in salaries	4.30%	4.30%
Rate of increase for pensions in payment/inflation	2.90%	2.90%
Discount rate for scheme liabilities	4.30%	1.70%
Inflation assumption (CPI)	2.80%	2.80%

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

	2022	2021
<i>Retiring today</i>		
Males	23.1	23.3
Females	25.3	25.4
<i>Retiring in 20 years</i>		
Males	24.6	24.8
Females	27.3	27.4

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	294	1,800
Discount rate -0.1%	416	1,999
Mortality assumption – 1 year increase	394	2,002
Mortality assumption – 1 year decrease	315	1,797
CPI rate +0.1%	415	1,999
CPI rate -0.1%	295	1,800

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

	2022	2021
	£000	£000
Equities	706	637
Government bonds	169	145
Other bonds	125	121
Property	125	94
Cash and other liquid assets	5	27
Other	579	468
Total market value of assets	1,709	1,492

The actual return on scheme assets was £32,000 (2021: £193,000).

Amount recognised in the Statement of Financial Activities

	2022	2021
	£000	£000
Current service cost	(696)	(439)
Interest income	28	21
Interest cost	(59)	(43)
Admin expenses	(8)	(6)
Total	(735)	(467)

Educate Together Academy Trust

Notes to the Financial Statements

24 Pension obligations (continued)

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

	2022	2021
	£000	£000
At 1 September	3,390	2,317
Current service cost	696	439
Interest cost	59	43
Employee contributions	82	66
Actuarial (gain)/loss	(2,141)	492
Benefits/transfers paid	(23)	33
At 31 August	2,063	3,390

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

	2022	2021
	£000	£000
At 1 September	1,492	1,058
Interest income	28	21
Actuarial (loss)/gain	(60)	171
Employer contributions	198	149
Employee contributions	82	66
Benefits/transfers paid	(23)	33
Administration expenses	(8)	(6)
At 31 August	1,709	1,492

25 Related party transactions

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

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.