

# Sharples School A Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

# **Sharples School A Multi Academy Trust**

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# Sharples School A Multi Academy Trust

## Reference and Administrative Details

### Members

MR CR Atkinson  
Mr J Gilbert (Removed 3<sup>rd</sup> December 2021)  
Mr P Humphries  
Mrs H Fairclough

### Trustees

Mr J K Shepley (Chair)  
Mrs A Webster (Accounting Officer)  
Mr J Heyes (Vice Chair)  
Dr L Vallance  
Mrs J Head  
Ms L A Hart  
Mrs L Higgingsbottom (Resigned 15th August 2022)

### Senior Management Team

Headteacher	Ms A Webster
Deputy Headteacher	Mr L Savage
Deputy Headteacher	Miss C Molyneux
Assistant Headteacher	Miss R Dann
Assistant Headteacher	Mrs F Khan
Assistant Headteacher	Mr S Jackson
Assistant Headteacher	Mrs C Wood

### Director of Business & Finance

Mrs C M Ingram

### Company Secretary

Mrs C M Ingram

### Company Name

Sharples School – A Multi Academy Trust

### Principal and Registered Office

Hill Cot Road,  
Astley Bridge,  
Bolton,  
BL1 8SN

### Company Registration Number Independent Auditor

09677469 (England and Wales)  
Xeinadin Audit Ltd  
8<sup>th</sup> Floor Becket House,  
36 Old Jewry,  
London  
EC2R 8DD

# **Sharples School A Multi Academy Trust**

## **Reference and Administrative Details**

### **Bankers**

Lloyds Bank PLC  
59 Hotel Street,  
Bolton

### **Solicitors**

Browne Jacobson  
5<sup>th</sup> Floor  
Tower 12  
18-22 Bridger Street,  
Manchester,  
M3 3BZ

# **Sharples School A Multi 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/period **1<sup>st</sup> September 2021 to 31<sup>st</sup> August 2022**. The annual report serves the purposes of both a trustees' report, and a directors' report and a strategic report under company law.

The academy trust operates an academy for pupils aged 11 to 16 serving a catchment area in north of Bolton. It has a pupil capacity of **1200** and had a roll of **1155** in the school census on **Autumn Census 2021**.

### **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 Sharples School – A Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Sharples School.

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

#### **Members' Liability**

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

#### **Trustees' Indemnities**

In line with normal commercial practice, the Trust has purchased insurance to protect trustees and members from claims arising from negligent acts, errors or omissions whilst on Trust business. The insurance policy provides cover up to £10,000,000 being the aggregate claim amount in any one year.

#### **Method of Recruitment and Appointment or Election of Trustees**

Trustees are appointed by the members based on good governance and relevant skills.

#### **Policies and procedures adopted for the induction and training of trustees**

The Training and induction of trustees and new governors will depend on the level of experience and skills. A skills audit will identify any training needs and the Chair of Trustees will work with the new trustee/governor to identify appropriate and relevant training.

#### **Organisational structure**

The Trust Board sets the strategic direction of the Trust and is responsible for the performance of the Trust. All audit and risk matters are delegated to the Leadership, Management and Effectiveness Committee who also consider and recommend for approval to the Board of Trustees, the financial plan and forecasts each year.

#### **Arrangements for setting pay and remuneration of key management personnel**

The Board of Trustees are responsible for the pay and grading of the Headteacher. All other pay related matters have been delegated to the Pay Review Panel.

# Sharples School A Multi Academy Trust

## Trustees' Report

### Trade union facility time

Relevant union officials

<b>Number of employees who were relevant union officials during the relevant period</b>	-
<b>Full-time equivalent employee number</b>	-

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

<b>Total cost of facility time</b>	-
<b>Total pay bill</b>	-

<b>Percentage of the total pay bill spent on facility time</b>	-
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Paid trade union activities

<b>Time spent on paid trade union activities as a percentage of total paid facility time hours</b>	-
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The academy trust has an SLA with the Local Authority for trade union facility time. This is charged to the school at £6 per pupil as at the October Census. The trust has 1 Teaching and 2 Associate staff representatives who provide support to the school as and when required in meetings and they also offer advice. They don't have any dedicated trade union time allocated to them.

### Related Parties and other Connected Charities and Organisations

Governors - any related party transactions with these people are disclosed in the notes to the accounts.

### Objectives and Activities

#### Objects and Aims

The Trust's objects are specifically restricted to the following:

- To advance for the public benefit education in the UK, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and ambitious curriculum.
- To promote for the benefit of the inhabitants of the area in which the academy is situated the provision of facilities for recreation or other leisure time.
- To support the wellbeing of all members of the learning community.

# Sharples School A Multi Academy Trust

## Trustees' Report

### Objectives, Strategies and Activities

At Sharples we:

- have an aspirational culture we encourage our students and staff to be ambitious and we provide them with the building blocks to fulfil their potential;
- have a broad and balanced curriculum that challenges students and promotes a love of learning;
- are a vibrant learning community; teaching and learning is at the heart of all that we do;
- care about each other and work hard to promote positive wellbeing for all.

Progress towards achievement of these objectives is monitored through our School Improvement Plan which is presented to the Trustees/Full Governing Body.

Each half term we have meetings with our External Advisor and discuss progress to targets.

### Public Benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

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

#### Key Performance Indicators

Significant work on developing the curriculum has taken place over 2021-22 to ensure that it is broad, ambitious and challenging for all students. This is supported by a model of formative and summative assessment which enables teachers to support students throughout their learning journey and to input timely intervention if it is required.

2022 Stage 4 results are above target on all key performance indicators. Our Basics measures are extremely positive with 65% of Y11 students achieving Grade 5+ in both English and maths; 84% achieved Grade 4+.

Attendance continues to be an area of strength for the academy with there being a significant gap between school figures and national benchmarks. Aspirational targets in this area remain in place as the academy seeks to embed this position. Exclusion data continues to be low and reflective of the consistent behaviour expectations and pastoral support systems which are well established across the school.

Recruitment is witnessing a sustained, positive trend with over 846 applications for 240 available places for September 2022. In addition to increased intake, we are continuing to see a steady flow of in-year admissions into Sharples School and this trend is forecast for the next four years.

KPIs are reviewed as part of the Monthly Management Accounts

• GAG Income as a % of Total Income	83%
• Staff costs as % of Total Income	70%
• Teaching Staff Costs as % of Total Income	68%
• Teaching Staff Costs as % of Total Staff Costs	72%
• Staff Costs as % of GAG	87%
• Total Other Expenditure as a % of Total Income	26%
• Total Expenditure including salaries as a % of Total Income	98%

# **Sharples School A Multi Academy Trust**

## **Trustees' Report**

### **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**

This year has been another challenging with increasing costs. Services, supplies and resources have been risen significantly. The cost of utilities has also risen significantly and is due to rise again which has an impact on budgeting.

Programmed works have been undertaken but again costs have risen so that the cost of works is high.

Forecasted staffing continues to be affected due to the Academy having failed to recruit for several post throughout the year.

Total income for the year was £8,788,465 (2021: £7,518,537) which included capital grants of £950,625 (2021: £341,198). Total expenditure in the year (excluding pension costs) was £7,814,271 (2021: £6,845,557). The net increase in funds for the year before actuarial gains on the Local Government Pension Scheme was £503,699 (2021: £678,461) (2020: £240,224). £308,709 has been transferred from restricted to fund additions (2021: £260,902)

On conversion in 2016, the school inherited a deficit of £826,000 in respect of the Local Government Pension Scheme. This has reduced to £93,000 as at 31 August 2022.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding local government pension liabilities would be met from the Department of Education.



# Sharples School A Multi Academy Trust

## Trustees' Report

### Reserves Policy

The Trust has assessed that a minimum level of free reserves equal to 3 months GAG funding are required.

Reserves are required to-

- Ensure sustainability of the school in the event of reductions in funding, reductions in pupil numbers or unexpected increases in expenditure.
- Fund capital projects and the replacement of equipment
- Enable the Trust to respond to opportunities and implement the longer-term strategic plan.

Reserves held as at 31 August 2022 were as follows:

	£
Total reserves	12,731,593
Add back pension reserve	93,000
Less reserves attributable to fixed assets	(11,239,810)
Unrestricted and general restricted funds	1,584,783
Restricted funds	(752,248)
Free reserves	832,535

In order to bring the reserves in line with the reserves policy, the Academy will work towards building the level of reserves up by ensuring effective efficient budgeting. It is currently on lagged funding.

The Trust reviews the level of reserves throughout the year as part of management reporting

### Investment Policy

The Trust's current investment policy is to maximise income from a low-risk strategy.

### Principal Risks and Uncertainties

The trustees have established a policy for assessing risks which the Trust faces and have reviewed the process of assessing and managing these major risks which was carried out by senior managers. Risks are assessed by the Trust and supported by a detailed risk register. The risk register is reviewed by the Senior Leadership Team before being presented to the Leadership, Management and Effectiveness Committee and Board of Trustees. Steps are taken to mitigate risks. Some significant financial risks are covered via insurance policies. Other risks are minimised through the design of systems and procedures as preventative measures.

The main risks facing the Trust are failure to achieve and exceed new national benchmarks, failure to maintain financial viability, failure to recruit appropriately qualified staff and uncertainties regarding the extent to which teachers' pay increases and increases to the TPS contribution rates will be funded, and for how long.

Controls are put in place to minimise these risks and the likelihood of each risk is graded and a RAG score assigned as to the status of progress in managing this risk effectively.

# **Sharples School A Multi Academy Trust**

## **Trustees' Report**

### **Principal risks and uncertainties (continued)**

To mitigate against these risks the Trust has put the following controls in place:

- Robust monitoring systems in place to monitor performance and attendance. Intervention systems across the school to eradicate potential gaps.
- Strong finances and financial management systems including Monthly Management account reporting.
- Monitor KPIs to ensure costs controlled and within benchmark.
- Work on staff well-being to support retention, timely recruitment schedule place and collaboration with ITT providers to ensure access to new recruits to the profession.
- Robust financial processes underpinned by the Academies financial handbook.

### **Fundraising**

The Trust has undertaken two types of fundraising during 2021/22. Firstly, funds have been raised to support local and national charities including the Ukraine. Traditional approaches to fundraising have been used, including non-uniform days,. All funds are collected by the Finance Department and paid to the relevant charity via BACs.

Secondly, funds have been raised by the Academy to improve the quality of education for all students. Fundraising initiatives undertaken include a disco and a school performance of Grease. Money raised goes towards purchasing additional resources beyond the revenue departmental budget.

All fundraising activities are monitored by the Senior Leadership Team and are undertaken in accordance with regulations. The Trust has taken all measures to manage any risks and safeguard pupils and the general public with a no pressure approach. The Academy does not work with professional fundraisers or commercial participators and has received no complaints in relation to its fundraising activities.

# Sharples School A Multi Academy Trust

## Trustees' Report

### Streamlined Energy and Carbon Reporting - Not a requirement

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	235,530	255,530
Energy consumption break down (kWh) (optional) <ul style="list-style-type: none"> <li>gas,</li> <li>electricity,</li> <li>transport fuel</li> </ul>		
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	31.32	41.32
Owned transport – mini-buses	4.35	4.65
<u>Total scope 1</u>	35.67	45.97
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	10.86	12.86
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	0.36	0.52

Total gross emissions in metric tonnes CO2e	46.89	59.35
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.03	0.04

#### **Quantification and Reporting Methodology: -**

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

#### **Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

#### **Measures taken to improve energy efficiency**

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

As the 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.

# Sharples School A Multi Academy Trust

## Trustees' Report

### Plans for Future Periods

The Trust has set the following strategic priorities over the next three years:

- Further improve the outcomes for pupils including their attainment
- Ensure all staff engaged in training to ensure delivery of quality teaching and learning

### Funds Held as Custodian Trustee on Behalf of Other

No funds held

### Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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<sup>th</sup> December 2022 and signed on the board's behalf by:

.....*John K Shepley*.....

Mr J K Shepley  
Trustee

8<sup>th</sup> December 2022

# Sharples School A Multi Academy Trust

## Governance Statement (continued)

### Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Sharples School A Multi 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.

The board of trustees has delegated the day-to-day responsibility to the **principal**, 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 Sharples School A Multi 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.

On each agenda is a declaration for any conflicts of interest. If any occur then they person is excluded form am discussions and or decision making regarding the conflict of interest. There is also an UpToDate register of business interest held. All legal or regulatory requirement are complied with.

### 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 **4** 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
Mr J K Shepley (Chair)	4	4
Mrs A Webster (Accounting Officer)	4	4
Mr J Heyes (Vice Chair)	3	4
Dr L Vallance	2	4
Mrs J Head	4	4
Ms L A Hart	3	4
Mrs L Higgingbottom	3	4

The Trustees meet 4 times a year as a group. They monitor the budget on a monthly basis by receiving detailed Management Account with Actuals against Budget on a Period and Year to Date basis as well as projected outturn.

In September 2022 the Trustees appointed a new Chair. The members evaluate the work of the Trustees and Trustees in turn evaluate the work of the Local Board. The Trustees and the Local Board are looking to validate their work by utilising the National Governors Association.

The Trustees are responsible for the pay and grading of senior personnel besides the Headteacher, Deputy Headteachers and Assistant Headteachers.

The information presented to the board is comprehensive and informative which satisfies the board and is following the requirements of the Academies Financial Handbook 2021: -

- Income and expenditure account – period, Year to date and projected outturn
- Balance sheet

# Sharples School A Multi Academy Trust

## Governance Statement (continued)

- Budget variance notes
- Cash flow forecast

The Leadership, Management and Effectiveness Committee (LME) is a sub-committee of the main board of directors. Its purpose is to assist with the decision making of the Board by enabling more detailed considerations to be given to the best means of fulfilling the Board's responsibility of ensuring the sound management of all the academy's finances and resources, including proper planning, monitoring and probity. It also incorporates the role of an audit committee.

The **Leadership, Management & Effectiveness committee (LME)** is a sub-committee of the main board of trustees. Its purpose is to:

LME committee is responsible for the management of:

- Leadership and Management
- Staff
- Premises
- Risk
- Health & Safety

Trustee	Meetings attended	Out of a possible
Ms L Hart (Chair)	3	3
Mr J Shepley	3	3
Mrs L Higginbottom	1	3
Ms A Webster	3	3

The **audit and risk committee** is also a sub-committee of the main board of trustees. Its purpose is to:

Sharples Academy Trust Board has resolved to establish an Audit & Risk Committee to advise The Trust on matters relating to the Trust's internal scrutiny, to monitor risk and deliver assurance for The Trust. The committee is authorised to investigate any activity within its terms of reference or specifically delegated to it by The Trust. It is authorised to request any information it requires from any employee, external audit, internal audit or other assurance provider. The committee will adhere to the principles set out in the Academies' Financial Handbook.

The Audit & Risk Committee will inform The Trust if it considers outside legal or independent professional advice is

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr James Heyes (Chair)	3	3
Dr L Vallance	2	3
Mrs D Eckersley	2	3
Mrs L Gregory	2	3
Ms A Webster	3	3

# Sharples School A Multi Academy Trust

## Governance Statement (continued)

### Review of Value for Money

As accounting officer, the **principal** 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 Wherever possible using purchasing consortia to ensure that the Trust consistently benefits from lowest possible prices and best value on goods and services.
- Managing the level of staff costs to ensure funds available to invest in maintaining building and other capital investments in the year including the remodelling of the canteen and bespoke IT suite.
- Reviewing staff structures and associated benchmarking data, to provide more streamline support services in order to maintain curriculum spend and growing cost base.
- Target resources to provide additional learning support to improve learner outcomes in year including opening facilities after school, weekends and evening as part of an intervention strategy.
- Rewards to students to encourage an increase in attendance rates which is directly linked to success outcomes.

### 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 Sharples School – A Multi Academy Trust for the period 1<sup>st</sup> September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy 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 period 1 September 21 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.

# Sharples School A Multi Academy Trust

## Governance Statement (continued)

### The risk and control framework

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

- budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has decided:

- to buy-in an internal audit service from **Moore & Smalley**

The **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 General Systems
- testing of Fixed Assets
- testing of Premises Compliance (Carried out by Compliance Education)

On a **termly** basis, the **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 and annually prepares an annual 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 Headteacher 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 or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the LME 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 8th **December 2022** and signed on its behalf by:

Mr J K Shepley  
Trustee



Ms Ann Webster  
Accounting Officer





## **Sharples School A Multi Academy Trust**

### **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Sharples School A Multi Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of 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 Academies Financial Handbook 2021.

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



Mrs A Webster  
Accounting officer

8 December 2022

## **Sharples School A Multi 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and 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.

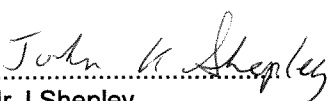
The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been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



Mrs A Webster  
Trustee



Mr J Shepley  
Trustee

## **Sharples School A Multi Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Sharples School A Multi Academy Trust**

#### **Opinion**

We have audited the financial statements of Sharples School A Multi Academy Trust (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)**

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 auditor's report thereon. 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.

## **Sharples School A Multi Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Sharples School A Multi Academy Trust (continued)**

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:

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

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and 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 [set out on page 16], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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.

## **Sharples School A Multi Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Sharples School A Multi Academy Trust (continued)**

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:

- agreeing financial statement disclosures to underlying supporting documentation;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- enquiring of management as to actual and potential litigation and claims; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- investigated the rationale behind significant or unusual transactions
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- performed analytical procedures to identify any unusual or unexpected relationships;
- reading the minutes of meetings of those charged with governance
- reviewing correspondence with HMRC, and the trust's legal advisors
- tested journal entries to identify unusual transactions;
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- To address the risk of fraud through management bias and override of controls, we:
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- We assessed the susceptibility of the trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the trust, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental, and health and safety legislation;
- we identified the laws and regulations applicable to the trust through discussions with directors and other management, and from our commercial knowledge and experience of the academies sector;

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Sharples School A Multi Academy Trust

### Independent Auditor's Report on the Financial Statements to the Members of Sharples School A Multi Academy Trust (continued)

#### Use of our report

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



.....  
Anna Bennett (Senior Statutory Auditor)  
For and on behalf of Xeinadin Audit Limited, Statutory Auditor

8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Date: 15/12/22 .....

## **Sharples School A Multi Academy Trust**

### **Independent Reporting Accountant's Report on Regularity**

In accordance with the terms of our engagement letter dated 23 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sharples School A Multi Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Sharples School A Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Sharples School A Multi Academy Trust and the 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 Sharples School A Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 27 May 2016 and the Academies Financial 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 from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.

## Sharples School A Multi Academy Trust

### Independent Reporting Accountant's Report on Regularity (continued)

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

#### 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 from 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
.....

Reporting Accountant

Xeinadin Audit Limited  
8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Date: 15/12/22  
.....



# Sharples School A Multi Academy Trust

## Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	72,888	-	950,625	1,023,513
Other trading activities	4	197,132	5,575	-	-	202,707
Investments	5	231	-	-	-	231
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	7,562,014	-	-	7,562,014
Total		197,363	7,640,477	-	950,625	8,788,465
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust educational operations	7	3,590	7,330,551	385,000	480,130	8,199,271
Net income/(expenditure)		193,773	309,926	(385,000)	470,495	589,194
Transfers between funds		-	(308,709)	-	308,709	-
<b>Other recognised gains and losses</b>						
Actuarial (losses) / gains on defined benefit pension schemes	25	-	-	3,277,000	-	3,277,000
Net movement in funds		193,773	1,217	2,892,000	779,204	3,866,194
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2021		638,762	751,031	(2,985,000)	10,460,606	8,865,399
Total funds/(deficit) carried forward at 31 August 2022		832,535	752,248	(93,000)	11,239,810	12,731,593

# **Sharples School A Multi Academy Trust**

## **Statement of Financial Activities for the Year Ended 31 August 2021** **(including Income and Expenditure Account)**


		Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
	Note					
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	4,883	-	341,198	346,081
Other trading activities	4	222,477	14,756	-	-	237,233
Investments	5	189	-	-	-	189
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	6,935,034	-	-	6,935,034
<b>Total</b>		<b>222,666</b>	<b>6,954,673</b>	<b>-</b>	<b>341,198</b>	<b>7,518,537</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust educational operations	7	93,484	6,405,394	199,000	346,679	7,044,557
Net income/(expenditure)		129,182	549,279	(199,000)	(5,481)	473,980
Transfers between funds		-	(260,902)	-	260,902	-
<b>Other recognised gains and losses</b>						
Actuarial (losses) / gains on defined benefit pension schemes	25	-	-	(606,000)	-	(606,000)
Net movement in funds/(deficit)		129,182	288,377	(805,000)	255,421	(132,020)
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2020		509,580	462,654	(2,180,000)	10,205,185	8,997,419
Total funds/(deficit) carried forward at 31 August 2021		638,762	751,031	(2,985,000)	10,460,606	8,865,399

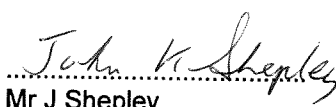
# **Sharples School A Multi Academy Trust**

**(Registration number: 09677469)**  
**Balance Sheet as at 31 August 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	10,148,208	10,063,403
<b>Current assets</b>			
Debtors	12	1,147,430	568,951
Cash at bank and in hand		<u>2,207,171</u>	<u>1,619,964</u>
		3,354,601	2,188,915
Creditors: Amounts falling due within one year	13	<u>(645,817)</u>	<u>(358,720)</u>
Net current assets		<u>2,708,784</u>	<u>1,830,195</u>
Total assets less current liabilities		12,856,992	11,893,598
Creditors: Amounts falling due after more than one year	14	<u>(32,399)</u>	<u>(43,199)</u>
Net assets excluding pension liability		12,824,593	11,850,399
Defined benefit pension scheme liability	25	<u>(93,000)</u>	<u>(2,985,000)</u>
Net assets including pension liability		<u>12,731,593</u>	<u>8,865,399</u>
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
Restricted general fund	15	752,248	751,031
Restricted fixed asset fund	15	11,239,810	10,460,606
Restricted pension fund	15	<u>(93,000)</u>	<u>(2,985,000)</u>
		11,899,058	8,226,637
<b>Unrestricted funds</b>			
Unrestricted general fund	15	<u>832,535</u>	<u>638,762</u>
Total funds		<u>12,731,593</u>	<u>8,865,399</u>

The financial statements on pages 23 to 52 were approved by the Trustees, and authorised for issue on 8 December 2022 and signed on their behalf by:

  
 .....  
 Mrs A Webster  
 Trustee

  
 .....  
 Mr J Shepley  
 Trustee

# **Sharples School A Multi Academy Trust**

## **Statement of Cash Flows for the year ended 31 August 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	212,086	164,436
Cash flows from investing activities	21	385,921	(40,380)
Cash flows from financing activities	20	<u>(10,800)</u>	<u>(10,800)</u>
Change in cash and cash equivalents in the year		587,207	113,256
Cash and cash equivalents at 1 September		<u>1,619,964</u>	<u>1,506,708</u>
Cash and cash equivalents at 31 August	22	<u><u>2,207,171</u></u>	<u><u>1,619,964</u></u>

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022**

### **1 Accounting policies**

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

#### **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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### **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.

#### **Income**

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

#### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

## **Sharples School A Multi Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

##### ***Sponsorship income***

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

##### ***Donations***

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

##### ***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.

##### ***Donated goods, facilities and services***

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

##### ***Donated fixed assets***

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

##### ***Expenditure***

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

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

# Sharples School A Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 1 Accounting policies (continued)

#### **Charitable activities**

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

#### **Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold land & buildings	50 years building/ 125 years land nil
Assets under construction	Nil
Computer equipment	3 years
Fixtures, fitting & equipment	5 years
Motor Vehicles	5 years

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

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

#### **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.

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **1 Accounting policies (continued)**

#### ***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.

#### **Leased assets**

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

#### **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 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 14. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

#### **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.



## **Sharples School A Multi Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Pension 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 so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

##### **Fund accounting**

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

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

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

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

##### **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.

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022** **(continued)**

### **1 Accounting policies (continued)**

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

### **2 Donations and capital grants**

	<b>Restricted funds £</b>	<b>Restricted fixed asset funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
Educational trips and visits	72,888	-	72,888	4,883
Capital grants	-	884,849	884,849	251,248
Donated fixed assets	-	65,776	65,776	89,950
	<u>72,888</u>	<u>950,625</u>	<u>1,023,513</u>	<u>346,081</u>

### **3 Funding for the Academy Trust's educational operations**

	<b>Restricted funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	6,385,102	6,385,102	5,681,905
Pupil Premium	336,521	336,521	337,046
Teachers Pay Grant	-	-	72,979
Teachers Pension Grant	-	-	206,221
Others	275,471	275,471	55,699
	<u>6,997,094</u>	<u>6,997,094</u>	<u>6,353,850</u>
<b>Other government grants</b>			
Local Authority Grants	475,236	475,236	427,288

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

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

	<b>Restricted funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>Non-government grants and other income</b>			
Other non-government grants	74,302	74,302	14,468
<b>Covid-19 additional funding (DfE/ESFA)</b>			
Catch- up premium	-	-	86,480
Other DfE/ESFA Covid -19 Funding	<u>15,382</u>	<u>15,382</u>	<u>31,260</u>
	15,382	15,382	117,740
<b>Covid-19 additional funding (non-DfE/ESFA)</b>			
Coronavirus Job Retention Scheme Grant	<u>-</u>	<u>-</u>	<u>21,688</u>
<b>Total grants</b>	<u><u>7,562,014</u></u>	<u><u>7,562,014</u></u>	<u><u>6,935,034</u></u>

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **4 Other trading activities**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
Hire of facilities	150,889	-	150,889	177,675
Catering income	-	-	-	1
Other sales	46,243	5,575	51,818	59,557
	<u>197,132</u>	<u>5,575</u>	<u>202,707</u>	<u>237,233</u>

### **5 Investment income**

	<b>Unrestricted funds £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
Short term deposits	<u>231</u>	<u>231</u>	<u>189</u>

### **6 Expenditure**

	<b>Non Pay Expenditure</b>			<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
	<b>Staff costs £</b>	<b>Premises £</b>	<b>Other costs £</b>		
<b>Academy's educational operations</b>					
Direct costs	4,682,859	427,351	774,993	5,885,203	5,270,616
Allocated support costs	911,345	887,788	514,935	2,314,068	1,773,941
	<u>5,594,204</u>	<u>1,315,139</u>	<u>1,289,928</u>	<u>8,199,271</u>	<u>7,044,557</u>

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **6 Expenditure (continued)**

**Net income/(expenditure) for the year includes:**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	17,150	14,802
Depreciation	480,130	344,171
Amortisation of intangible fixed assets	-	2,508
Fees payable to auditor - audit	9,650	8,950
- other audit services	6,300	5,200
	<u>6,300</u>	<u>5,200</u>

### **7 Charitable activities**

	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>
Direct costs - educational operations	5,885,203	5,270,616
Support costs - educational operations	2,314,068	1,773,941
	<u>8,199,271</u>	<u>7,044,557</u>

	<b>Educational operations</b>	<b>2021/22 Total</b>	<b>2020/21 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of support costs</b>			
Support staff costs	911,345	911,345	775,478
Depreciation	52,779	52,779	52,745
Technology costs	9,143	9,143	10,429
Premises costs	835,009	835,009	662,267
Legal costs - other	1,604	1,604	1,542
Other support costs	484,822	484,822	251,046
Governance costs	19,366	19,366	20,434
Total support costs	<u>2,314,068</u>	<u>2,314,068</u>	<u>1,773,941</u>

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **8 Staff**

#### **Staff costs**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	3,938,595	3,666,179
Social security costs	406,075	359,063
Pension costs	<u>1,231,787</u>	<u>1,014,382</u>
	5,576,457	5,039,624
Agency staff costs	17,747	18,033
Staff restructuring costs	<u>-</u>	<u>2,483</u>
	<u><u>5,594,204</u></u>	<u><u>5,060,140</u></u>
		<b>2021</b>
		<b>£</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments		<u><u>2,483</u></u>

#### **Staff numbers**

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

	<b>2021/22</b>	<b>2020/21</b>
	<b>No</b>	<b>No</b>
Teachers	69	66
Administration and support	53	48
Management	<u>7</u>	<u>8</u>
	<u><u>129</u></u>	<u><u>122</u></u>

#### **Higher paid staff**

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

	<b>2022</b>	<b>2021</b>
	<b>No</b>	<b>No</b>
£70,001 - £80,000	2	2
£90,001 - £100,000	<u>1</u>	<u>1</u>

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **8 Staff (continued)**

#### **Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £734,107 (2021: £761,089).

### **9 Related party transactions - trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Mrs A Webster (Headteacher):

Remuneration: £95,000 - £100,000 (2021 - £90,000 - £95,000)

Employer's pension contributions: £20,000 - £25,000 (2021 - £20,000 - £25,000)

During the current and prior year there were no travel and subsistence expenses reimbursed to trustees

Other related party transactions involving the trustees are set out in note 26.

### **10 Trustees' and officers' insurance**

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

### **11 Tangible fixed assets**

	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer hardware £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 September 2021	10,113,457	-	573,232	470,273	33,095	11,190,057
Additions	-	163,025	280,559	121,351	-	564,935
At 31 August 2022	10,113,457	163,025	853,791	591,624	33,095	11,754,992

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **11 Tangible fixed assets (continued)**

	<b>Leasehold land and buildings £</b>	<b>Assets under construction £</b>	<b>Furniture and equipment £</b>	<b>Computer hardware £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Depreciation</b>						
At 1 September 2021	762,087	-	200,340	161,467	2,760	1,126,654
Charge for the year	<u>182,709</u>	<u>-</u>	<u>124,899</u>	<u>165,903</u>	<u>6,619</u>	<u>480,130</u>
At 31 August 2022	<u>944,796</u>	<u>-</u>	<u>325,239</u>	<u>327,370</u>	<u>9,379</u>	<u>1,606,784</u>
<b>Net book value</b>						
At 31 August 2022	<u>9,168,661</u>	<u>163,025</u>	<u>528,552</u>	<u>264,254</u>	<u>23,716</u>	<u>10,148,208</u>
At 31 August 2021	<u>9,351,370</u>	<u>-</u>	<u>372,892</u>	<u>308,806</u>	<u>30,335</u>	<u>10,063,403</u>



# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **12 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	11,438	12,739
VAT recoverable	128,407	76,185
Other debtors	29,653	-
Prepayments	62,005	88,613
Accrued grant and other income	915,927	391,414
	<u>1,147,430</u>	<u>568,951</u>

### **13 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	468,566	157,513
Loans	10,800	10,800
Other creditors	45,715	21,202
Accruals	57,704	96,210
Deferred income	55,174	68,737
Pension scheme creditor	7,858	4,258
	<u>645,817</u>	<u>358,720</u>

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Deferred income</b>		
Deferred income at 1 September 2021	68,737	42,143
Resources deferred in the period	55,174	68,737
Amounts released from previous periods	(68,737)	(42,143)
Deferred income at 31 August 2022	<u>55,174</u>	<u>68,737</u>

## Sharples School A Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 13 Creditors: amounts falling due within one year (continued)

At the balance sheet date the academy trust was holding funds received in advance of the related expenditure for Erasmus funding, Turing project funding and EEF adventure funding.

#### 14 Creditors: amounts falling due after one year

	2022 £	2021 £
Loans	<u>32,399</u>	<u>43,199</u>

Other loans include a ESFA Salix loan. The loan will be repaid over eight years and repayments commenced in September 2018. No interest is charged on the loan.

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **15 Funds**

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
Pupil premium	-	336,521	(336,521)	-	-
Other DfE/ESFA COVID 19 funding	-	15,382	(15,382)	-	-
Catch up premium	76,809	-	(76,809)	-	-
General Annual Grant (GAG)	674,222	6,385,102	(5,998,367)	(308,709)	752,248
Other DfE/ESFA	-	275,471	(275,471)	-	-
Government grants	-	475,236	(475,236)	-	-
Other	-	152,765	(152,765)	-	-
	<u>751,031</u>	<u>7,640,477</u>	<u>(7,330,551)</u>	<u>(308,709)</u>	<u>752,248</u>
<b>Restricted fixed asset funds</b>					
DfE group & local authority capital grants	2,604,018	64,409	(145,472)	(89,616)	2,433,339
Capital expenditure from GAG	327,416	-	(179,458)	-	147,958
Inherited on conversion	7,231,810	-	(139,828)	253,541	7,345,523
DfE Condition Improvement Fund- Life Safety Phase 1	297,362	-	-	-	297,362
DfE Condition Improvement Fund- Life Safety Phase 2	-	312,617	-	55,168	367,785
DfE Condition Improvement Fund- Enveloping	-	507,823	-	89,616	597,439
Donated assets	-	65,776	(15,372)	-	50,404
	<u>10,460,606</u>	<u>950,625</u>	<u>(480,130)</u>	<u>308,709</u>	<u>11,239,810</u>
<b>Restricted pension funds</b>					
Restricted pension funds	<u>(2,985,000)</u>	<u>-</u>	<u>(385,000)</u>	<u>3,277,000</u>	<u>(93,000)</u>
Total restricted funds	8,226,637	8,591,102	(8,195,681)	3,277,000	11,899,058
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>638,762</u>	<u>197,363</u>	<u>(3,590)</u>	<u>-</u>	<u>832,535</u>
Total funds	<u>8,865,399</u>	<u>8,788,465</u>	<u>(8,199,271)</u>	<u>3,277,000</u>	<u>12,731,593</u>

# Sharples School A Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 15 Funds (continued)

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

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
Pupil premium	-	337,046	(337,046)	-	-
Coronavirus job retention scheme	-	21,688	(21,688)	-	-
Other DfE/ESFA COVID 19 funding	-	31,260	(31,260)	-	-
Catch up premium	-	86,480	(9,671)	-	76,809
General Annual Grant (GAG)	462,654	5,681,905	(5,209,435)	(260,902)	674,222
Teachers pay grant	-	72,979	(72,979)	-	-
Teachers pension grant	-	206,221	(206,221)	-	-
Other DfE/ESFA	-	55,699	(55,699)	-	-
Government grants	-	427,288	(427,288)	-	-
Other	-	34,107	(34,107)	-	-
	<u>462,654</u>	<u>6,954,673</u>	<u>(6,405,394)</u>	<u>(260,902)</u>	<u>751,031</u>
<b>Restricted fixed asset funds</b>					
DfE group & local authority capital grants	2,579,016	83,327	(93,955)	35,630	2,604,018
Capital expenditure from GAG	351,450	-	(90,734)	66,700	327,416
Inherited on conversion	7,274,719	-	(161,990)	119,081	7,231,810
DfE Condition Improvement Fund- Life Safety Phase 1	-	257,871	-	39,491	297,362
	<u>10,205,185</u>	<u>341,198</u>	<u>(346,679)</u>	<u>260,902</u>	<u>10,460,606</u>
<b>Restricted pension funds</b>					
Restricted pension funds	<u>(2,180,000)</u>	<u>-</u>	<u>(199,000)</u>	<u>(606,000)</u>	<u>(2,985,000)</u>
Total restricted funds	8,487,839	7,295,871	(6,951,073)	(606,000)	8,226,637
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>509,580</u>	<u>222,666</u>	<u>(93,484)</u>	<u>-</u>	<u>638,762</u>
Total funds	<u>8,997,419</u>	<u>7,518,537</u>	<u>(7,044,557)</u>	<u>(606,000)</u>	<u>8,865,399</u>

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

## Sharples School A Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 15 Funds (continued)

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

General Annual Grant must be used for the normal running expenses of an Academy and any amounts carried forward at the end of the financial year must be in accordance with the terms of the Funding Agreement.

Other DfE/ESFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants include LA funding for Special Education Needs and growth funding.

Other restricted funds include contributions received for educational visits and non public donations and the related expenditure.

The pension reserve represents the value of the Academy's share of the deficit in the Local Government Pension Scheme. The value of the deficit inherited on conversion was £826,000 and had risen to £93,000 at 31 August 2022.

Restricted fixed assets funds are those funds relating to the long term assets of the Academy used in delivering the objects of the Academy.

Unrestricted funds are funds which the Trustees may use in the pursuance of the Academy's objectives and are expendable at the discretion of the Trustees.

#### 16 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	10,148,208	10,148,208
Current assets	832,535	1,430,464	1,091,602	3,354,601
Current liabilities	-	(645,817)	-	(645,817)
Creditors over 1 year	-	(32,399)	-	(32,399)
Pension scheme liability	-	(93,000)	-	(93,000)
Total net assets	<u>832,535</u>	<u>659,248</u>	<u>11,239,810</u>	<u>12,731,593</u>

## Sharples School A Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 16 Analysis of net assets between funds (continued)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	10,063,403	10,063,403
Current assets	638,762	1,152,944	397,203	2,188,909
Current liabilities	-	(358,714)	-	(358,714)
Creditors over 1 year	-	(43,199)	-	(43,199)
Pension scheme liability	-	(2,985,000)	-	(2,985,000)
Total net assets	<u>638,762</u>	<u>(2,233,969)</u>	<u>10,460,606</u>	<u>8,865,399</u>

#### 17 Capital commitments

	2022 £	2021 £
Contracted for, but not provided in the financial statements	<u>1,088,356</u>	<u>286,157</u>

#### 18 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 £	2021 £
Amounts due within one year	16,568	17,802
Amounts due between one and five years	<u>4,250</u>	<u>22,568</u>
	<u>20,818</u>	<u>40,370</u>

The academy also leases part of its property to another school. At 31 August 2022 the total future minimum lease receipts under non-cancellable operating leases was:

	'2022	'2021	'2020
Amounts due within on year	-	75,000	75,000
Amount due in two and five years	-	-	75,000
	<u>-</u>	<u>75,000</u>	<u>150,000</u>

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **19 Reconciliation of net income to net cash inflow/(outflow) from operating activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the statement of financial activities)	589,194	473,980
Amortisation	-	2,508
Depreciation	480,130	344,171
Capital grants from DfE and other capital income	(884,849)	(251,248)
Interest receivable	(231)	(189)
Defined benefit pension scheme cost less contributions payable	333,000	160,000
Defined benefit pension scheme finance cost	52,000	39,000
Increase in debtors	(578,479)	(302,364)
Increase/(decrease) in creditors	287,097	(211,472)
Donated capital	(65,776)	(89,950)
Net cash provided by Operating Activities	<u>212,086</u>	<u>164,436</u>

### **20 Cash flows from financing activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Repayments of borrowing	<u>(10,800)</u>	<u>(10,800)</u>
Net cash used in financing activities	<u>(10,800)</u>	<u>(10,800)</u>

### **21 Cash flows from investing activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	231	189
Purchase of tangible fixed assets	(499,159)	(291,817)
Capital funding received from sponsors and others	<u>884,849</u>	<u>251,248</u>
Net cash provided by/(used in) investing activities	<u>385,921</u>	<u>(40,380)</u>

**Sharples School A Multi Academy Trust**

**Notes to the Financial Statements for the Year Ended 31 August 2022  
(continued)**

**22 Analysis of cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	<u>2,207,171</u>	<u>1,619,964</u>
Total cash and cash equivalents	<u>2,207,171</u>	<u>1,619,964</u>



# Sharples School A Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 23 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash	1,619,964	587,207	2,207,171
Loans falling due within one year	(10,800)	-	(10,800)
Loans falling due after more than one year	(43,199)	10,800	(32,399)
	<u>(53,999)</u>	<u>10,800</u>	<u>(43,199)</u>
Total	<u>1,565,965</u>	<u>598,007</u>	<u>2,163,972</u>

## **Sharples School A Multi Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **24 Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

#### **25 Pension and similar 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 Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £(7,858) (2021 - £(4,258)) were payable to the schemes at 31 August and are included within creditors.

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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 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:

## Sharples School A Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 25 Pension and similar obligations (continued)

- 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 £633,751 (2021: £618,529).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £316,000 (2021 - £289,000), of which employer's contributions totalled £258,000 (2021 - £238,000) and employees' contributions totalled £58,000 (2021 - £51,000). The agreed contribution rates for future years are 27.6 per cent for employers and 5.5 to 8.5 per cent for employees.

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

#### Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.80	3.70
Rate of increase for pensions in payment/inflation	3.10	2.90
Discount rate for scheme liabilities	4.30	1.70

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

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **25 Pension and similar obligations (continued)**

	<b>2022</b>	<b>2021</b>
<b>Retiring today</b>		
Males retiring today	20.30	20.50
Females retiring today	23.20	23.30
<b>Retiring in 20 years</b>		
Males retiring in 20 years	21.60	21.90
Females retiring in 20 years	<u>25.10</u>	<u>25.30</u>
<b>Sensitivity analysis</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Discount rate -0.1%	93,000.00	163,000.00
Mortality assumption – 1 year increase	139,000.00	242,000.00
CPI rate +0.1%	81,000.00	138,000.00
Salary increase rate +0.1%	<u>13,000.00</u>	<u>23,000.00</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Equities	2,338,410	2,170,470
Other bonds	474,460	458,550
Property	305,010	213,990
Cash and other liquid assets	<u>271,120</u>	<u>213,990</u>
Total market value of assets	<u>3,389,000</u>	<u>3,057,000</u>

The actual return on scheme assets was £43,000 (2021 - £483,000).

# **Sharples School A Multi Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **25 Pension and similar obligations (continued)**

#### **Amounts recognised in the statement of financial activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Current service cost	(333,000)	(160,000)
Interest income	53,000	41,000
Interest cost	<u>(105,000)</u>	<u>(80,000)</u>
Total amount recognized in the SOFA	<u><u>(385,000)</u></u>	<u><u>(199,000)</u></u>

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

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
At start of period	6,042,000	4,490,000
Current service cost	591,000	398,000
Interest cost	105,000	80,000
Employee contributions	58,000	51,000
Actuarial (gain)/loss	(3,287,000)	1,048,000
Benefits paid	<u>(27,000)</u>	<u>(25,000)</u>
At 31 August	<u><u>3,482,000</u></u>	<u><u>6,042,000</u></u>

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

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
At start of period	3,057,000	2,310,000
Interest income	53,000	41,000
Actuarial gain/(loss)	(10,000)	442,000
Employer contributions	258,000	238,000
Employee contributions	58,000	51,000
Benefits paid	<u>(27,000)</u>	<u>(25,000)</u>
At 31 August	<u><u>3,389,000</u></u>	<u><u>3,057,000</u></u>

### **26 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. The following related party transactions took place in the financial period.

## **Sharples School A Multi Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **26 Related party transactions (continued)**

##### **Expenditure related party transactions**

During the year the academy made the following related party transactions:

##### **Nationwide Franking Sense Ltd**

(is a company in which JP Gilbert (member) is a director. Nationwide Franking Sense Ltd is a supplier of managed print, document processing, franking machines & mailroom solutions.)

During the current year the academy has spent £239.38 on ink cartridges (2021: £1,250)

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2021.

At the balance sheet date the amount due to Nationwide Franking Sense Ltd was £Nil (2021 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying 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.

##### **Expenditure related party transactions**

##### **Nationwide Franking Sense Ltd**

(is a company in which JP Gilbert (member) is a director. Nationwide Franking Sense Ltd is a supplier of managed print, document processing, franking machines & mailroom solutions.)