



Academies Trust

A young boy with short brown hair and blue-rimmed glasses is smiling broadly. He is wearing a maroon polo shirt with a small Co-op logo on the left chest. The background is a blurred indoor setting with other people.

# Annual Report and Financial Statements

For Year Ended 31 August 2022

The Co-operative Academies Trust  
Company Limited by Guarantee  
Registration Number: 7747126 (England and Wales)

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## REFERENCE AND ADMINISTRATION DETAILS

The Co-operative Academies Trust (Trust) is a Multi-Academy Trust. As at 31 August 2022, it was comprised of the following Academies:

Secondary Academies	Primary Academies	Primary Academies
Co-op Academy Leeds	Co-op Academy Brownhill	Co-op Academy Princeville
Co-op Academy Priesthorpe	Co-op Academy Oakwood	Co-op Academy Clarice Cliff
Co-op Academy Swinton	Co-op Academy Woodlands	Co-op Academy New Islington ➤
Co-op Academy Manchester	Co-op Academy Nightingale	<b>Special Academies</b>
Co-op Academy North Manchester	Co-op Academy Beckfield	Co-op Academy Delius
Co-op Academy Failsworth	Co-op Academy Portland	Co-op Academy Southfield
Co-op Academy Stoke-on-Trent	Co-op Academy Broadhurst	
Co-op Academy Walkden	Co-op Academy Parkland	<b>Sixth Form Colleges</b>
Co-op Academy Bebington	Co-op Academy Woodslee	Connell Co-op College
Co-op Academy Grange	Co-op Academy Friarswood	
Co-op Academy Belle Vue	Co-op Academy Smithies Moor	➤ Joined the Trust on 1/7/2022

Trust Members	Appointment	Trust Members	Appointment
Russell Gill	30 May 2014	Caroline Sellers (resigned 24 October 2022)	1 September 2014
Gill Gardner	1 September 2014	Rebecca Birkbeck	10 August 2020
Andrew Lang (resigned 29 May 2022)	1 April 2019	Paul Gerrard	29 May 2022
The Co-operative Group (Corporate Member)	29 May 2022		

Trustees	Appointment	Trustees	Appointment
Russell Gill (Chair) ● ■ ▲ ► *	30 May 2014	Mags Bradbury ■ ► *	19 August 2011
Neil Braithwaite ● ► * (term of office ended 31 August 2022)	1 September 2014	Mike Greenacre ▲ ► * (term of office ended 31 August 2022)	1 September 2014
Jane Cowell ▲ ► ■ *	9 December 2014	Shaheen Myers ▲ (resigned 18 October 2022)	1 September 2018
Patsy Kane ■	7 May 2019	Gill Gardner ● (term of office ended 31 August 2022)	1 September 2018

## REFERENCE AND ADMINISTRATION DETAILS

Gill Robinson ■	1 September 2021	Arati Patel-Mistry ▲	1 September 2021
Dave Robertson ●▶✱	1 September 2021	Tim Cutting ●▶✱	1 September 2022

Seconded Members	Appointment	Seconded Members	Appointment
John Hill ✱	26 May 2022	Tony Hind ▲ (Resigned 1 June 2022)	1 September 2018
● Member of the Audit and Risk Committee and Finance Committees		■ Member of the Outcomes Committee	
▲ Member of the Growth and Development Committee		▶ Member of the Chairs Committee	
✱ Member of the Remuneration Committee			

### Trust Senior Leadership Team

Chris Tomlinson	Chief Executive Officer and Accounting Officer
Nick Lowry	Chief Education Officer - Stoke, Staffordshire Merseyside, and Cheshire Hub
Karine Hendley	Chief Education Officer - East Pennines Hub
Ian Burchett	Chief Education Officer - Greater Manchester Hub
Juliet Caunt	Chief People Officer
Gary Lagar	Chief Operating Officer and Company Secretary (Appointed 21 November 2016)
Ruth Agnew	Head of Governance and Data Protection

<b>Principal and Registered Office:</b>	c/o Membership Department 1 Angel Square Manchester M60 0AG		
<b>Company Registration Number:</b>	7747126 (England & Wales)		
<b>VAT Registration Number:</b>	173 1108 39		
<b>Independent Auditor:</b>	RSM UK Audit LLP 3 Hardman Street, Manchester M3 3HF		
<b>Bankers:</b>	Lloyds Bank 42-46 Market Street, Manchester M1 1PW		
<b>Solicitors:</b>	Ward Hadaway Solicitors Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX	Squire Patton Boggs No 1 Spinningfields 1 Hardman Square Manchester M3 3EB	Stone King LLP Boundary House 91 Charterhouse St London EC1M 6HR

# REPORT OF THE DIRECTORS

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The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' Report and Strategic Report under company law.

As at the 31 August 2022, the Trust operated fourteen primary Academies, eleven secondary Academies, two special schools and one sixth form college in the North of England. The Trust has a combined pupil/ student roll of 18,522 in the school October 2022 census.

## Structure, Governance, and Management

### Constitution

The Trust is a charitable company limited by guarantee (without share capital) and an exempt charity. The charitable company's articles of association are the primary governing document and this was effective from 1 September 2014. There were no significant amendments to this document during the year. The Board Directors act as the trustees for the charitable activities of the Trust and are also the directors of the charitable company for the purposes of company law.

Details of the Directors who served throughout the year are included in the Reference and Administration details on pages 2 - 3.

### Members' Liability

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

### Directors' Indemnities

In accordance with normal commercial practice, the Trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. This insurance is provided through the Department of Education's risk protection arrangement (RPA), and the indemnity is unlimited.

### Method of Recruitment and Appointment or Election of Directors

Directors are appointed by the sponsor The Co-operative Group (the Co-op) based on the required skills and knowledge to provide strategic leadership and good governance to the Trust.

### Governance

The Trust has members (from the sponsor) who appoint the Trust Board, comprising between three and fifteen directors. The Trust Board appoints its sub-committees and local governing bodies. A Scheme of Delegation sets out the specific roles and responsibilities of the Trust Board, sub-committees and local governing bodies.

Each academy within the Trust has a governing body made up of between six and fifteen members. Between two and five governors are drawn from the sponsor in addition to two staff governors,



# REPORT OF THE DIRECTORS

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two-parent governors and the Principal/Headteacher. Up to two further governors can be drawn from formal partners and up to one from the local authority.

The governing body of each academy shall make all necessary arrangements for and determine all other matters relating to an election of parent governors. The Principal shall be a governor for as long as in office as such.

## **Policies and Procedure Adopted for the Induction and Training of Governors**

The training and induction provided for directors and new governors depend on their existing experience. Where necessary, induction is provided with training on charity, educational, legal and financial matters. All new governors are given a tour of the relevant academy and the chance to meet with staff and students. All directors and governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role.

## **Organisational Structure**

On 31 August 2022, the Trust included twenty-seven Academies and one sixth form college. Full Academy and college details are included in the Reference and Administration details on pages 2 - 3.

Details of the directors (including the Trust Accounting Officer) who served during the year are included in the Reference and Administration details on pages 2 - 3.

The Trust Board sets the strategic direction for the Trust and is responsible for the performance of all Academies within the Trust. The Chairs committee oversees operational performance and acts as the Trust's pay and remuneration committee. The audit and risk committee oversees the external and internal audit processes as well as ensuring there is an effective risk management approach in place. Decisions reserved for the Trust Board include providing strategic direction to the Trust, ensuring financial viability, establishing an audit committee and compliance with the department for education requirements. The senior leadership team has the responsibility for implementing Board policy and monitoring operational performance.

## **Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trust has established a pay and remuneration policy that follows national terms and conditions for all teachers and senior academy leaders. The policy is posted on the Trust website and approved by the Trust Board. All pay awards are moderated across the Academies and approved by governing bodies. In addition, all senior central Trust staff have their salaries benchmarked against national comparators provided by independent and nationally recognised bodies. A pay and remuneration committee of the Trust Board undertakes the performance management of the Chief Executive Officer of the Trust and recommends any pay awards for the Trust Board to consider. The pay and remuneration committee also sets the remuneration of the senior leadership team and recommends pay awards to the Trust Board for consideration. No Trust Board member is paid for their services as a Board member.

## **Our Relationship with our sponsor, the Co-op.**

Our Co-op Academies benefit greatly from the unique relationship with our sponsor, the Co-op.

In the past financial year, the Co-op provided £543k to support the further development of the Trust and help fund initiatives which have distinctive co-operative dimension, such as our Co-op Coordinators.

# REPORT OF THE DIRECTORS

In addition to this funding, we have been able to leverage some financial and in-kind support from Co-op suppliers and the Co-op also provides our academies with access to a wide range of programmes and activities which it pays for, linked to its strategic priorities focusing on access to food, wellbeing and opportunities for young people.

Examples include work with the Co-op's charity partner, MIND, on a Trust-wide approach to well-being, the development of an Anti-Racist curriculum, supported by Leeds Beckett University and the delivery of Virtual Work Experience for all year 9 students involving Co-op colleagues and suppliers. It was also notable that the Co-op's first community fridge was opened at Co-op Academy Failsworth. These major initiatives are bolstered by a constant stream of opportunities and activities for academy students, supported by Co-op colleagues and suppliers.

Also, the Trust's governance continues to be underpinned by the contribution of over 80 Co-op colleagues who serve as members of Academy Governing Councils.

## Trade Union Facility Time

The Trust has complied with the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017, which took effect from 1 April 2017.

The Trust's published report covers the year from April 2021 to March 2022 and is summarised below:

Analysis of trade union facility time	Total 2022 £000	Total 2021 £000
<b>Relevant Union Official</b>		
Number of employees who were relevant union officials during the relevant period	33	37
Full time equivalent employee number	29.82	35
<b>Percentage of staff time spent on facility time</b>		
0%	20	20
1 - 50%	10	14
51 - 99%	-	-
100%	3	3
<b>Percentage of staff costs spent on facility time</b>		
Total cost of facility time £	£76,890	£99,323
Total pay bill (excluding associated pension costs) £k	£93,413k	£88,170k
% of pay bill spent on facility time	0.08%	0.11%

The three employees who spent 100% or more of their time on trade union duties were seconded full time to local officer roles outside of their academy. The full costs of this release were reimbursed to

## REPORT OF THE DIRECTORS

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the Trust. The remaining colleagues did occasional trade union work, with between 7 hours and 31 hours across the year being reported.

The cost of facility time takes into account:

- paid time spent by relevant union officials (in-school) on trade union work (duties & activities), calculated using salary rate plus average “on costs” for employer pension and NI contributions (35% for teachers, 28% for support staff) as at March 2022; and
- money paid by Academies into local authority shared facility arrangements during the year.

It does not include the cost of salaries for colleagues seconded to local branch roles, as these costs are fully reimbursed to the Trust.

### Related Parties and other Connected Charities and Organisations

The Trust works closely with its sponsor The Co-operative Group (the Co-op), including access to skilled governors for the Trust’s Academies, work and training opportunities for pupils. The sponsor has also provided a substantial financial contribution in the year (and commitment going forward should certain conditions be met) to enable the Trust to expand. Details of related party transactions are shown in note 29.

### Engagement with employees (including disabled persons)

The Trust consults its staff through formal and informal methods including staff consultation committees and regular staff meetings. The Trust’s website provides staff with access to Trust policies.

The Trust consults with national trade union bodies through the Joint Consultative and Negotiating Committee(JCNC). The Trust recognises the following Trade Unions for individual and collective representation, consultation and negotiation purposes: NEU, NASUWT, NAHT, ASCL, GMB, UNISON and Unite.

The Trust is committed to ensuring that existing members of staff, job applicants, and volunteers are treated fairly in an environment which is free from any form of discrimination with regard to the protected characteristics as outlined by the Equality Act 2010. The Trust’s Equality and Diversity Policy outlines the Trust’s approach to this issue and specific reference is made within this guidance to job applicants. Applications from candidates with disabilities are welcomed. All staff, when they have been appointed, are asked to undertake a medical placement questionnaire. This process provides information to the employer, which can be discussed with the employer where an employee has a disability for which a reasonable adjustment is required.

Equalities data is collected with respect to teacher pay progression in order to identify whether or not the data indicates that employees with protected characteristics are disadvantaged.

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

As a key enabler to meeting the objectives of the Trust seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the Trust’s operations. During the year the Trust has further promoted this engagement through specific initiatives including:



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- Regular communication and engagement with parents of existing pupils, and parents of prospective pupils attending the Trust schools to enhance the understanding of the provision to each student and to fully coordinate support to students from parents and the academy.
- Engagement with other educational Trust's and partners at local and national levels to share best practice and to provide peer support across Trust's and individual Academies.
- Active dialogues with local councils on matters which impact children and families in the community as well as relate to the operation of each academy.
- Engaging with local businesses to promote career and educational opportunities for academy students for their mutual benefit.
- Seeking all possible opportunities to engage with local suppliers in each academy area.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to each school.
- In particular, the Trust has fully adopted the government's policies and guidance during the Covid-19 pandemic and sought to maximise its support to all suppliers through the crisis in order to sustain their support and services in the future.
- Promoting and encouraging student opportunities to engage in local voluntary and other projects to support the community.

## Risk Management

Details of the Trust's risk management arrangements and principal risks are included within the Strategic Report on page 23.

## Streamlined Energy and Carbon Reporting

This content is included under that heading within the strategic report section.

## Objectives

Over the last ten years the Trust has grown from two to thirty academies (as at October 2022). The original growth target, agreed with the Co-op Group, was to reach forty academies by 2022. Trust growth has been impacted by the Covid-19 pandemic, but we will still achieve this target of forty academies, serving the areas of the north and north west England and the Midlands, within the next eighteen months; even more importantly we want all forty academies to be really strong academies, where they are rated either good or outstanding by their local community members, within the time frame of this strategic plan.

All of our academies are now in a much better position than when they joined the Trust, but, to really transform the communities we serve, this strategic plan is ambitious and realistic, planning to take the organisation to the next level in its development; moving it from an “evolving” Trust to a “mature” Trust, with the continual improvement of the quality of our academies being at the forefront of our planning. The capability and depth of quality in our academies in terms of leadership, the real commitment to develop our dedicated workforce, and the excellent support of the Co-op, are just a few of the things on which we base our optimism about the future. We have compelling reasons to believe we can accomplish, in the next three years, everything outlined in this strategic plan, striving for continuous improvement.

As we grow we need to proactively develop our infrastructure so that we can deliver high quality education in these most difficult of circumstances, following a very problematic period for education due to the Covid-19 pandemic. In this time we must support our communities, staff and pupils to

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recover educationally so they can look to the future with optimism again. We know some of our communities have been seriously adversely affected by Covid-19 so it is more important than ever that our academies are able to really help and support them during 2022 and beyond, to 2025. All of our academies, with the support of the Co-op, have proven to their communities in recent times that they do care and can really make a difference. We want to build on this and ensure all our academies work towards a position where stakeholders in the community recognise the outstanding contribution they make in transforming pupils' lives but also support for the local area.

The Trust, just like the Co-op brand and logo, has excellent and solid foundations with a strong ethos throughout the whole organisation. We have a very strong Trust Board supported by our Academy Governing Councils (AGC). Our scheme of delegation gives a real clarity in terms of roles and responsibilities still allowing for a significant amount of responsibility being handled locally by the AGC. Our financial systems and structures make us a Trust that is organised, efficient and reliable and this, along with our strong governance model, means we have the basis to really improve and make progress to be an outstanding strong Trust in line with all the new national and public definitions. We have made a strong start, and want to do more, in playing our part in the 'levelling up' agenda. We have a real opportunity to do this, working within some very challenging communities. How we help, develop and support our most vulnerable pupils will be the real test for how strong our academies are.

## Strategic Direction

### Core Values

Everyone in the Trust honours the fundamental commitment to the Ways of Being Co-op. They are our DNA; they represent our culture and reflect the rationale behind our decision making. In terms of challenging situations and occurrences they give direction and rationale when you need it most. As we move forward with intent, they will continue to give us that direction and represent us totally in how we operate. In all that we do we are dictated to by the Co-op values which represents a truly co-operative organisation throughout all areas. The key objective and something we must succeed in is ensuring that all pupils, colleagues and everyone associated with the Trust knows what it is to be a Co-op Trust guided by the values.

### Co-op Ways of Being:

- Be yourself, always
- Do what matters most
- Show you care
- Succeed together

The Co-op Ways of Being were developed to translate the Co-op values into practice. The Co-op core values are the closest match for the seven principles of Public Life (also known as the Nolan principles) and illustrate why as a Trust we are proud to be part of Co-op community:

- Self-help - helping ourselves to improve and to make a positive contribution to society
- Self-responsibility - taking responsibility for, and answering for our actions
- Democracy - through all having a say in how we run our Trust and the academies
- Equality - making sure the voice of each individual can be heard
- Equity - striving for a fair and unbiased community
- Solidarity - sharing interests and common purposes for the benefits of all

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The whole of the Trust works towards the cooperative ethical values:

- Openness- we believe in being open, sharing information and ideas to improve the lives of children and young people
- Honesty- we are professional and adopt/observe/act in a respectful manner with everyone
- Social responsibility- we maximise our impact on those in our communities while minimising our footprint on the world
- Caring for others- we treat everyone as we wish to be treated ourselves, understanding that children and young people have one childhood.

## Belonging to the Trust

The Trust has a single legal and moral purpose: to advance education for public benefit. The Trust is a group of academies in parts of the North of England and West Midlands working in collaboration and co-operation as one entity, to improve and maintain educational standards for a broad set of outcomes for our communities and pupils across the whole group. We are an education charity that is set up purely for the purpose of running and improving academies, raising the aspirations of the communities they serve. Simply running academies to give children a better future and helping our local communities thrive by giving children the best educational opportunities as well as the support they need. We judge ourselves on how well our most vulnerable pupils succeed in primary, secondary, post-16 and special education sectors.

The Trust is every pupil, member of staff, parent, governor and trustee that are associated with and belong to our group of academies. Currently we have approximately 17,000 students, 2,500 staff with 300 governors and trustees across thirty academies (September 2022). The Trust isn't the building of 1 Angel Square (where our head office is based), but all our school, central and hub buildings and everyone that goes to work there, or attends school there. Overwhelmingly we all share the same moral purpose in line with the "Ways of Being Co-op" underpinned by the Co-op values, which contribute to all of us believing in making a difference for our brilliant pupils and their communities. We want to prepare our students for their future and modern day challenges as well as giving a successful and enjoyable education to them all. We also want to work closely with our communities, supporting and helping them in collaboration with each other. We believe our academies are pivotal organisations within their communities and understand their civic role and responsibilities. We are a cooperative Trust, so want to work in partnership with all external organisations for the benefit of education, and to encourage our academies not just to work within the Trust but externally with all that play a role in contributing towards pupil and community success.

Within our Trust we work in partnership to raise educational standards for all our pupils and their communities. All sectors of education within our Trust - and we are a diverse organisation in terms of the range of academies - who benefit greatly from the collaborative structures we operate. We believe that academy partnerships with clear lines of accountability and some element of obligation are more likely to be successful.

## Being part of the Co-op Community

We want to prepare our students for their future and modern day challenges as well as giving a successful and enjoyable education to them all. We also want to work closely with our communities, supporting and helping them in collaboration with each other. We believe our academies are pivotal organisations within their communities and understand their civic role and responsibilities. We are a cooperative Trust, so want to work in partnership with all external organisations for the benefit of

# REPORT OF THE DIRECTORS

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education, and to encourage our academies not just to work within the Trust, but externally with all that play a role in contributing towards pupil and community success.

The Co-op's vision is 'Co-operating for a Fairer World' and the Trust play a key role in delivering some of the vital aspects of this vision including:

- Co-operating for a fairer world for our colleagues;
- Co-operating for a fairer world for our communities; and
- Co-operating for a fairer world for our planet.

## Strategic Ambition

### School Improvement

Over the last two years we have developed and expanded our regional services in key compliance areas of support and challenge to our academies. We have also developed our central school improvement offer to accelerate progress for all our academies depending on where they are in their journey to Ofsted outstanding. As we move forward, this is crucial to becoming a smarter organisation with targeted support and challenge improving the educational standards in all areas which is the moral fundamental purpose of belonging to a Trust. When a school joins the Trust we want to offer as much support as we possibly can, to ensure they benefit greatly from joining the Trust early on, wherever they are on their journey working towards Ofsted outstanding, good or sustaining excellence. This is a key target for the Trust and something we have highlighted as a real area of focus. At the same time, if one of our academies came into a difficult period with standards declining, not only would we identify this early through our accountability framework and data analysis, but we also now have the capacity and resources to step in, covering all areas for rapid transformation. This is defined as our High Priority academy programme. This will help to ensure all our academies will be Ofsted good or outstanding in the future. We want all our academies to become very good, strong and outstanding academies with an excellent reputation in their communities. A Trust academy will be judged on how they will help our most vulnerable students preparing them to be Co-op global ambassadors for the future representing the communities they reside in.

### Leadership, CPD and Succession Planning

Across our Trust we have excellent capacity and ability within our leaders. We have central leadership, regional leadership through regional directors and executive headteachers, headteachers, senior staff and middle leaders. We have an active, impactful and thorough CPD programme to support all our leaders at every stage of development, with induction and coaching programmes to cover all areas. This includes an excellent training programme for our governors run by the Governance Team. The CPD is delivered by experts, in-house and externally, covering a range of key relevant areas. This provision will continue to develop and become even better including more opportunities for support staff and their development within their roles and beyond. Our CPD programme is excellent and in line with the White Paper which states "we need great staff working with our pupils in our academies". We have great staff and will continue to develop them so our students get the very best of provision.

We talent-spot and build our leaders of the future, making sure we offer every individual equal opportunities. We always first look for internal solutions to recruitment and work hard to continue to develop a programme of colleagues' benefits, with a proactive well being programme to retain our staff. All our staff will continue to be heard through a series of activities as well as the 'Your Voice' programme, where an action plan is produced afterwards to address the main issues.

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## Curriculum

We see the curriculum as something that embraces almost everything that a child does at the academy. It is a set of skills, knowledge, understanding and experiences, with the thread of co-operative values and principles running through it. It is a mechanism through which children journey towards a better understanding of themselves and the role they can and will play in the community and society. We hope it encourages children to be ambitious and ambassadors of a co-operative way of life. Crucially in line with the Co-op commitments we want all our academies to develop an anti-racist curriculum over the next three years to truly represent that we are a leading Trust for Equality and Diversity in this area.

Our academies develop their own curriculum and this is the responsibility of the headteachers supported by the governors and overseen through the leadership of our Regional Directors. To assist with the process, and to give clear expectation and direction, the Trust has produced a Curriculum Principles statement for mainstream and our special schools in consultation with all members of the Trust community.

## Digital Technology

We will continue to use digital technology to help us become more effective and efficient. From the lessons and expertise learnt during the pandemic we will continue to use digital technology to enhance the learning experiences of our children developing the skills needed for employment. From the development of our IT regional and central model it will help to build a more effective and efficient system that is also more secure and digitally safe for everyone to use. This model will give us the savings financially to reinvest further in this area and will help to establish technology as a major vehicle for academy improvement. We will promote online security with all our academies and users.

## Educational Recovery

It has been incredibly hard for all our staff, pupils and communities over the two years of the pandemic. It has been the toughest period of education since the 1940's. We understand the context we are all working in and it has strengthened the resilience and cooperative structures of our Trust. In developing the Trust's three year strategic plan, all consideration of the context has been given to the last two years to set aspirational but achievable targets. We want to do our very best to support our pupils, staff and communities through this educational recovery period. We are only as strong as the way we help our most vulnerable pupils succeed; we know the most vulnerable have been greatly affected by the pandemic but it will not stop us trying our very best to overcome this. Working cooperatively and collaboratively with the capability and strength within the Trust, this can be achieved.

## Public Benefit

The trustees have considered the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission. The main activities of the Trust are to advance for public benefit:

- education for pupils of different abilities between the ages of 3 and 18;
- develop the capacity and skills of those who are socially and economically disadvantaged in such a way that helps meet their needs and enables them to participate more fully in their communities and society at large; and
- provide recreational and leisure time facilities in the interest of social welfare for the local communities in which the Academies reside, especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

# REPORT OF THE DIRECTORS

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## STRATEGIC REPORT

### Achievement and performance - Key Performance Indicators

The directors monitor the performance of the Academies through a trust-maintained summary Data Dashboard that incorporates analytics of demographics and profiles for staff and students in addition to KPI's for:

- Assessment and Tracking data (eg GCSE, SATS, A Levels)
- Attendance and behaviour
- Careers, Education, Information, Advice and Guidance (CEIAG) destinations
- Well-being indices
- Human Resources

The Trust's educational outcomes are considered to be the Trust KPI's.

### Secondary Academies

There are eleven (1 special) Secondary Academies in the Trust as at 31 August 2022.

In-line with DfE methodology for analysing 21-22 outcomes, the Trust has used 2019 as a baseline measure to avoid erroneous conclusions drawn from comparisons to 2020 and 2021 data in which Centre Assessed and Teacher Assessed grades influenced outcomes.

Whilst the pandemic did affect outcomes, the adjustments made nationally to examinations (eg reduced content) did lessen the Covid-19 impact and we feel did not disadvantage students.

The outcomes of our secondaries shows an improvement in 8 out of 10 academies. This is consistent with our understanding of quality of provision and curriculum development present.

Attainment 8 figures were higher in 9 out of 10 academies compared to 2019.

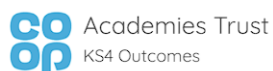
Progress measures for the most vulnerable students were a focal point for all academies and significant gains were made in this area across most academies.




SEND cohorts also performed much higher than in 2019 however there are improvements required in some academies.

In the course of the academic year 2021-22, rigorous Performance Board meetings were held to ensure a thorough understanding and robustness of process in predicting outcomes and those projections were highly accurate in all but the two underperforming academies.

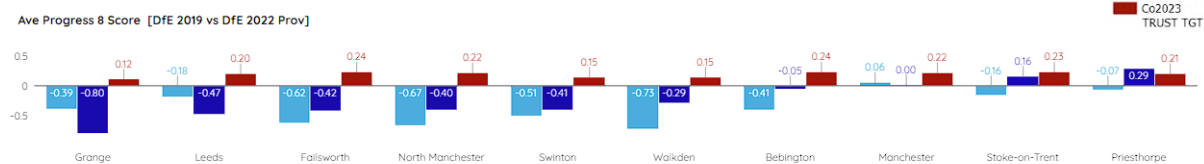


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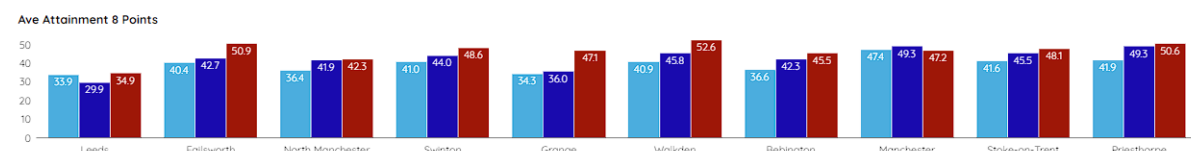


 Academies Trust		Trust	Av PB Score	Av PP PB Score	Av A8 Points	Av PP A8 Points	4+ En+Ma %	5+ En+Ma %
KS4 Outcomes		 Co2019 EXAM	-0.37	-0.60	39.44	34.98	50.95	27.14
		 Co2022 EXAM [DfE Prov]	-0.24	-0.58	42.67	37.26	58.78	39.23

Ave Progress 8 Score [DfE 2019 vs DfE 2022 Prov]

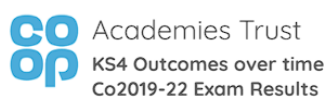


Ave Attainment 8 Points



Co2019 - EXAM RESULTS							
Academy	Student Nos	L4+ English %	L4+ Maths %	L4+ En & Ma %	L5+ English %	L5+ Maths %	L5+ En & Ma %
Bebington	161	57.8	46.6	40.4	41.0	20.5	16.8
Fallsworth	271	62.7	63.8	53.9	42.8	33.2	27.3
Grange	274	67.2	42.0	39.8	50.4	20.1	19.3
Leeds	165	58.8	41.2	38.2	43.6	22.4	20.0
Manchester	162	87.0	63.0	59.9	65.4	33.3	30.2
North Man...	212	57.5	42.0	39.2	42.5	18.9	17.5
Priesthorpe	188	70.2	69.7	61.7	48.4	46.8	38.3
Stoke-on-T...	158	72.2	62.7	57.6	52.5	40.5	32.9
Swinton	105	77.1	68.6	62.9	51.4	41.0	35.2
Walkden	227	67.8	61.2	55.9	57.3	38.3	33.9

Co2022 - EXAM RESULTS [DfE Prov]							
Academy	Student Nos	L4+ English %	L4+ Maths %	L4+ En & Ma %	L5+ English %	L5+ Maths %	L5+ En & Ma %
Bebington	181	75.1	61.3	56.9	54.1	42.0	35.4
Fallsworth	272	65.8	64.3	55.5	46.7	43.4	34.9
Grange	298	59.4	48.7	44.3	41.6	29.9	27.2
Leeds	156	47.4	40.4	37.8	34.6	26.9	25.6
Manchester	296	81.4	67.9	65.9	70.6	44.9	42.6
North Man...	208	70.7	58.2	55.8	59.1	38.9	35.6
Priesthorpe	191	80.1	78.0	73.3	64.4	67.5	58.1
Stoke-on-T...	165	82.4	70.9	67.9	66.1	49.7	43.0
Swinton	167	73.7	68.9	63.5	59.3	47.3	44.3
Walkden	281	75.1	70.8	66.9	61.6	52.0	45.6



Select Academy

Average PROGRESS 8 Score*				
	Co2019	Co2020	Co2021	Co2022
OVERALL	-0.37	0.06	0.08	-0.24
English	-0.24	-0.01	-0.06	-0.21
Maths	-0.45	-0.01	0.03	-0.31
EBacc	-0.58	-0.10	0.01	-0.39
Open	-0.23	0.30	0.24	-0.14

L4+ English %					L4+ Maths %					L4+ English & Maths %				
	Co2019	Co2020	Co2021	Co2022		Co2019	Co2020	Co2021	Co2022		Co2019	Co2020	Co2021	Co2022
ALL	67.8	71.2	72.4	71.1		56.1	62.2	64.4	62.9		51.0	57.4	58.3	58.8
PP	58.6	62.6	65.9	62.9		46.7	52.9	56.8	53.4		40.7	47.3	49.9	49.8
NPP	73.9	76.5	77.0	76.4		62.8	68.5	70.1	69.1		58.1	64.2	64.5	64.6
HA	89.8	95.6	92.0	84.5		90.8	93.3	90.9	80.7		85.8	92.0	87.6	77.8

L5+ English %					L5+ Maths %					L5+ English & Maths %				
	Co2019	Co2020	Co2021	Co2022		Co2019	Co2020	Co2021	Co2022		Co2019	Co2020	Co2021	Co2022
ALL	49.5	49.2	52.6	55.8		31.5	38.3	43.7	44.3		27.1	32.9	37.1	39.2
PP	41.1	39.5	44.2	46.6		22.6	29.0	35.3	33.7		19.5	24.3	29.2	29.4
NPP	55.4	56.2	58.4	61.5		38.3	44.6	49.9	51.2		33.2	38.8	42.7	45.6
HA	78.7	84.8	81.1	76.5		66.2	78.3	77.2	72.7		59.2	73.1	71.3	68.9

Focus Groups - Number of Pupils					Average ATTAINMENT 8 Points					Average PROGRESS 8 Score				
PUPILS	Co2019 ...	Co2020 ...	Co2021...	Co2022 ...	Co2019 ...	Co2020 ...	Co2021....	Co2022 ...		Co2019...	Co2020...	Co2021...	Co2022...	
ALL	1,923	2,091	2,238	2,224	3.94	4.26	4.40	4.25		-0.37	0.06	0.08	-0.24	
PP	836	911	979	943	3.50	3.78	3.99	3.70		-0.60	-0.22	-0.18	-0.58	
NPP	1,087	1,180	1,259	1,281	4.26	4.57	4.71	4.60		-0.20	0.30	0.27	0.01	
HA	571	606	720	311	5.31	5.83	5.74	5.66		-0.53	0.06	-0.09	-0.58	
MA	862	957	1,032	1,077	3.65	4.05	4.16	4.73		-0.32	0.07	0.21	-0.22	
LA	261	276	209	635	2.18	2.54	2.52	2.94		-0.19	0.16	0.00	-0.10	
No_KS2	228	252	275	201	3.17	3.50	3.42	4.10		-	-	-	-0.58	
EHCP	42	43	55	50	1.58	1.78	1.94	2.51		-0.92	-0.80	-1.34	-0.50	
SEN_Sup	180	255	254	373	2.42	2.78	2.95	3.08		-0.93	-0.60	-0.46	-0.70	
No_SEN	1,648	1,780	1,901	1,770	4.19	4.53	4.70	4.32		-0.28	0.18	0.21	-0.25	
Female	886	985	1,038	1,083	4.17	4.49	4.65	4.44		-0.10	0.28	0.32	-0.12	
Male	1,037	1,106	1,200	1,141	3.73	4.03	4.19	4.05		-0.63	-0.14	-0.13	-0.38	

# REPORT OF THE DIRECTORS

## Primary Academies

We have 14 Primary phase Academies in the Trust: two in Greater Manchester, two in Stoke, two in Merseyside and eight in West Yorkshire (NB: one in Manchester joined June 2022).

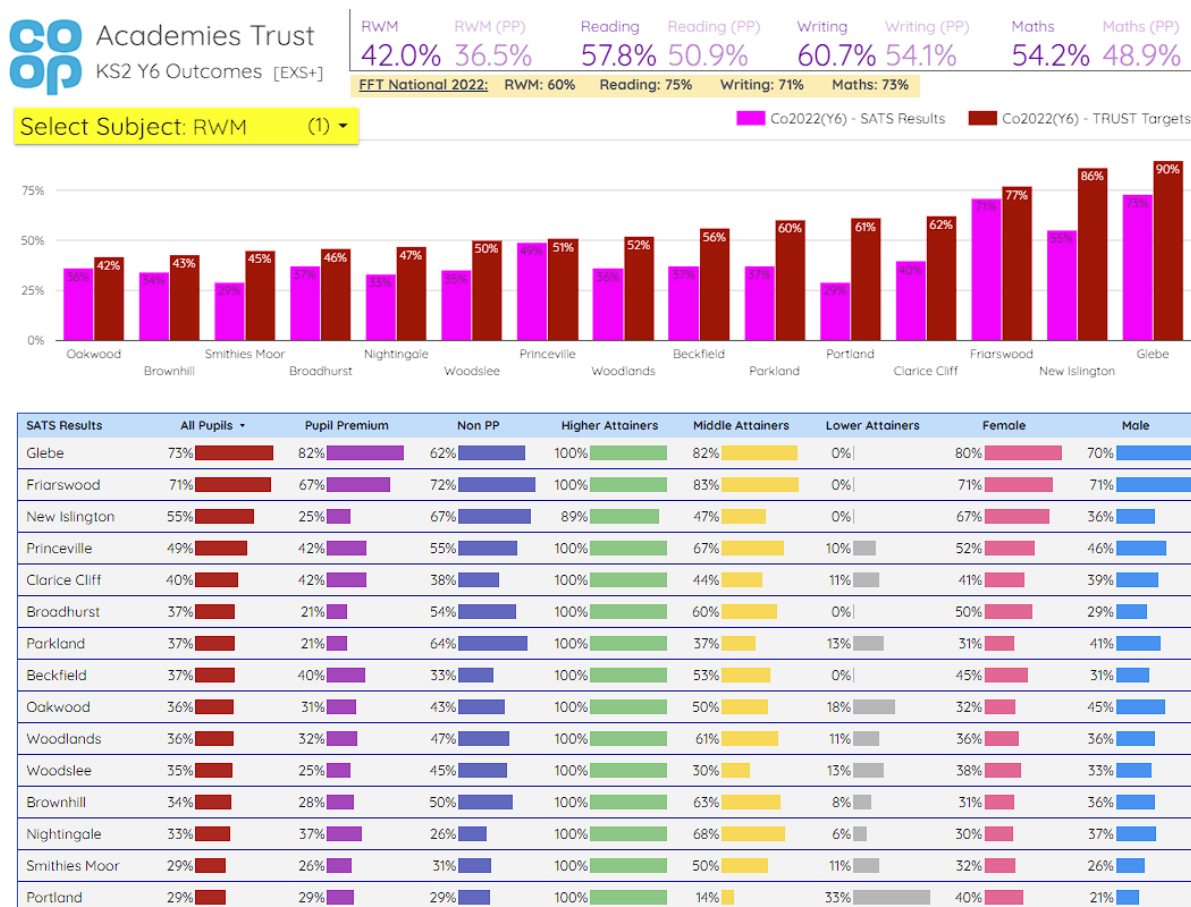
Following two years of SATs absence in light of the Covid-19 pandemic, the external examinations returned.

Five primaries had cohort sizes small enough to not be statistically significant so in these cases, analysis of performance has been carried out at a student level. Performance Board meetings have mirrored the processes followed by Trust secondaries.

A benchmark of Fischer-Family Trust (FFT) targets was used to assess relative progress as an accurate proxy of likely progress benchmarking the DfE will carry out in 2022/23, applying progress measures retrospectively.

Against these targets, our primary academies have not met progress expectations in the majority of academies and significant action planning is taking place to rectify the performance deficit.

Three of our primaries performed well in terms of raw attainment and those practices are being used as exemplars for the others.



# REPORT OF THE DIRECTORS

## Special Schools

We are pleased to be a multi-academy Trust with special schools - we currently have one secondary and one primary. Both are for students with profound learning difficulties, such that sitting public examinations is not appropriate. Both are based in Bradford in West Yorkshire and the primary acts as a feeder school to the secondary. We were successful in our application to build a new secondary Special school in Leeds which will open in summer 2024 (estimated opening date).

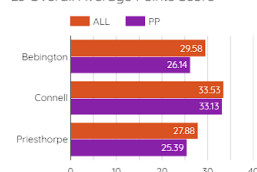
## Sixth Form College

We have one college for post 16 students serving the East Manchester area with many of our secondary Academies feeding the college with their Year 11 pupils. The College is very successful and has been confirmed as achieving the highest applied general qualifications in the Greater Manchester region.

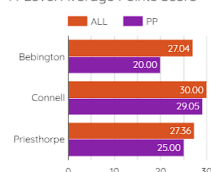
It is currently the highest performing post-16 provider in Greater Manchester for vocational subjects.



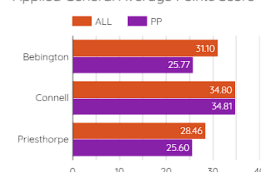
L3 Overall Average Points Score



A-Level Average Points Score



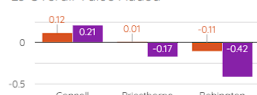
Applied General Average Points Score



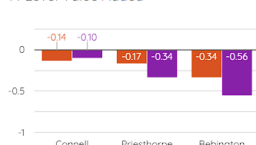
TRUST Average Points Score:

L3 Overall	A-Level	Ap General
30.33	28.13	31.45
Pupil Premium		
L3 Overall	A-Level	Ap General
28.22	24.68	28.73

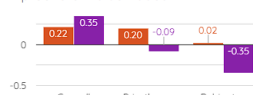
L3 Overall Value Added



A-Level Value Added



Ap General Value Added



TRUST Average Value Added:

L3 Overall	A-Level	Ap General
0.01	-0.22	0.15
Pupil Premium		
L3 Overall	A-Level	Ap General
-0.13	-0.33	-0.03

A-Level Subjects (Co2022 Exam Results)

Academy	Entry Cohort	A* - A %	A* - C %	A* - E %	Ave Grade
Bebington	28	3.6	57.1	96.4	C-
Connell	178	12.4	64.6	98.3	C=
Priesthorpe	79	6.3	59.5	97.5	C
TRUST Ave	273	10	62.3	97.8	C

A-Level Subjects (Co2019 Exam Results)

Academy	Entry Cohort	A* - A %	A* - C %	A* - E %	Ave Grade
Bebington	31	10	60.6	93.9	D+
Connell	168	8	58	98	C-
Priesthorpe	105	7.5	40.8	97.8	C-
TRUST Ave	304	8	50.7	96.2	C-

Single Vocational Subjects (Co2022 Exam Results)

Academy	Entry Cohort	D* - Dist %	Pass %	Ave Grade
Bebington	50	50	98	Dist
Connell	20	30	100	Merit+
Priesthorpe	32	53	100	Dist
TRUST Ave	99	47	99	Dist

Double Vocational Subjects (Co2022 Exam Results)

Academy	Entry Cohort	D* - Dist %	Pass %	Ave Grade
Bebington	3	33.3	100	Merit+
Connell	39	43.6	97.4	Dist-
Priesthorpe	11	9.1	100	Merit+
TRUST Ave	43	35	100	Dist

Triple Vocational Subjects (Co2022 Exam Results)

Academy	Entry Cohort	D* - Dist %	Pass %	Ave Grade
Bebington	125	61.6	100	Dist=
Connell	110	61.6	100	Dist+

The sixth form provision in our two other settings is minimal and offers a small selection of academic courses. Both have performed reasonably.

# REPORT OF THE DIRECTORS

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## Going Concern

As part of the annual business planning process and monthly management reporting the Trust has reviewed its liquidity and rolling twelve month cash flow requirements and is satisfied that existing resources are sufficient to support ongoing operations. The Trust cash balance as at 31 August 2022 was £30.7m and over the next two-year period it is not anticipated to fall below £14.9m.

The Trust's total income is funded mainly by Government and local authority grants (95.5% during 2021-22 academic year) and operationally has not been impacted by the Covid-19 pandemic. The business planning process also includes, at both a Trust and Academy level, a business sensitivity analysis in relation to operational costs and this continues to be monitored. The Covid-19 pandemic is unprecedented and recovery is still ongoing and therefore brings challenges and uncertainties, which the directors have considered as part of its risk management policy and is included within the 'Principal Risks and Uncertainties' section of their Report.

The Trust has been successful in receiving additional government grant funding to cover in part, the post Covid-19 pandemic recovery. This resulted in additional grant funding of £1.2m being received during the year. To date, Government or local authority grant funding has not, in relation to catch-up funding, be impacted. Having considered the uncertainties posed by the pandemic the Trust considers for the above reasons that there are no material uncertainties about the Trust's ability to continue as a going concern and have accordingly continued to prepare the financial statements as a going concern.

## How the Board Complies with its Section 172 Duty

### Promoting the success of the Trust

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:-

#### 1. The likely consequence of any decisions in the long term

The Trust makes all key decisions through reference to its long-term strategic plan and after projecting the timing and impact of such decisions. This strategy is primarily designed around the objective to improve educational outcome for students but every decision and operational approach is regularly reviewed for its impact on all stakeholders and the need for any changes or modifications to decisions previously taken.

#### 2. The interests of the company's employees

Our employees are vital to the Trust and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. All staff are offered access to a number of well-being support services and the Trust seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies as well as through local staff committees we also actively seek to ensure that the working environment meets due high standards of safety and security.

#### 3. The need to foster the company's business relationships with suppliers, customers, and others

Our relationships with our customers, partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in service reviews with all key suppliers. These reviews are focussed on a two way relationship with the Trust based with an aim of helping one another to achieve an optimum service as efficiently as possible and according to the best value for money. Where the Trust has

# REPORT OF THE DIRECTORS

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procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the school community and stakeholders.

## 4. The impact of the company's operations on the community and the environment

We recognise our community responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school curriculum, the Trust encourages all staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling of waste and actions to maximise efficiency in energy consumption.

## 5. The desirability of the company maintaining a reputation for high standards of business conduct

Our reputation and public Trust in its constituent schools is fundamental to our future success. We use our organisational values and behaviours in our recruitment and training for our employees to ensure that we maintain high standards, and these are used in our appraisal processes. Our procurement and ethical policies and procedures ensure that our values are also part of our selection of partners and suppliers.

## 6. The need to act fairly as between members of the company

In terms of members of the academy Trust, fairness in our dealings is upheld through having a clear and well communicated strategy, and financial discipline backed by strong internal controls. We have transparent reporting at regular intervals through the year, continual access to senior management and a track record of successful growth through new school joiners which have been appropriately integrated into the Trust. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our students, staff or any other member of our community and stakeholders.

## Coronavirus (Covid-19) Impact

The key educational impact from Covid-19 is reported in the above Academy summary outcomes.

The Trust continues to manage the impact of Covid-19 through:

- Regular meetings of SLT and Academy leaders;
- Regular updates to Audit and Risk and Board;
- Detailed Academy risk management plans (including individual Academy risk registers);
- Providing classroom learning as well as some remote based learning for pupils and students. Remote learning has been provided through a combination of printed 'home learning' packs as well as through use of the Trust's IT facilities (Google Classroom).
- Providing additional 'catch-up' support for targeted groups of pupils/ students;
- Regular monitoring of pupil/ student engagement/ wellbeing (including safeguarding) particularly for remote study;
- Regular monitoring of staff safety and wellbeing through line management structures;
- Dashboard reporting to SLT and Board; and
- Liaison with the Confederation of Schools Trust (CST) and DfE.

During the periods of lockdown the Trust was able to, through the support of the Trust's business sponsor, maintain and provide free school meals to our most vulnerable students. This provision was through the issue of Co-op food vouchers. Some of the costs were recovered through DfE/ ESFA exceptional cost claims and the balance was funded through the Trust's business sponsor.

Financially the Trust has, through the support of the Co-op and the exceptional cost claims managed to minimise the impact of additional operational costs (cleaning, staff absences, and PPE).

# REPORT OF THE DIRECTORS

## Financial Review

The Trust's total incoming resources for the year amounted to £150,480k (2021: £155,204k). The most significant sources of income relate to the transfer of an Academy's assets (New Islington Primary School) from the the previous Trust for £nil consideration of £8,602k (2021: £4,532k in respect of Co-op Academy Clarice Cliff, and ESFA and other local authority pupil funding of £141,878k (2021: £138,543k). Outgoing resources for the year and transfers relating to the LGPS scheme totalled £70,234k (2021: £142,836k) resulting in an overall surplus in funds of £80,246k (2021: surplus £12,698k). Total reserves as at 31 August 2022 stood at £280,490k (2021: £200,244k). Cash balances held by the Trust at 31 August 2022 amount to £30,740k (2021: £25,824k).

Trust five-year financial summary (£000)	2021/22 Actual	2020/21 Restated	2019/20 Actual*	2018/19 Actual*	2017/18 Actual*
Donations and Capital Grants	4,023	7,178	2,741	3,322	12,572
Academy Transfers	8,602	4,532	12,231	64,927	39,721
Funding - Educational Income	135,768	129,081	117,086	82,556	54,015
Other Trading Activities	2,087	2,284	2,762	2,758	1,234
<b>Total Incoming Resources</b>	<b>150,480</b>	<b>143,075</b>	<b>134,820</b>	<b>153,563</b>	<b>107,542</b>
Staffing Costs	113,389	103,846	94,491	67,619	44,927
Premises Costs	20,443	16,842	17,544	13,733	9,035
Educational Costs	11,101	8,642	9,013	5,936	4,155
Other	8,533	6,949	6,625	6,227	4,395
<b>Total Resources Expended</b>	<b>153,466</b>	<b>136,279</b>	<b>127,673</b>	<b>93,515</b>	<b>62,512</b>
<b>Net Income / Expenditure</b>	<b>(3,006)</b>	<b>6,796</b>	<b>7,147</b>	<b>60,048</b>	<b>45,030</b>
Other recognised Gains / (Losses)	83,252	(6,557)	(9,558)	(16,701)	5,062
<b>Net Movement in Funds</b>	<b>80,246</b>	<b>239</b>	<b>(2,411)</b>	<b>43,347</b>	<b>50,092</b>
Balance Sheet (£000)	2021/22 Actual	2020/21 Restated	2019/20 Actual	2018/19 Actual	2017/18 Actual
Tangible Assets	324,316	321,882	293,648	283,970	159,328
Current Assets	42,304	31,917	26,857	19,020	9,449
Current Liabilities	(23,063)	(20,638)	(18,880)	(14,823)	(6,318)
<b>Total Assets less Current Liabilities</b>	<b>343,557</b>	<b>333,161</b>	<b>301,625</b>	<b>288,167</b>	<b>162,459</b>
Liabilities falling due > 1 Year	(63,067)	(132,917)	(114,079)	(98,210)	(15,849)
<b>Net Assets</b>	<b>280,490</b>	<b>200,244</b>	<b>187,546</b>	<b>189,957</b>	<b>146,610</b>
Balance Sheet (£000)	2021/22 Actual	2020/21 Restated	2019/20 Actual	2018/19 Actual	2017/18 Actual
Restricted - Fixed Asset /General	277,881	269,765	241,675	226,417	151,216
Pension Reserve	(1,699)	(73,783)	(58,255)	(40,324)	(8,241)
<b>Total Restricted Funds</b>	<b>276,182</b>	<b>195,982</b>	<b>183,420</b>	<b>186,093</b>	<b>142,975</b>
Unrestricted Funds	4,308	4,262	4,126	3,864	3,635
<b>Total Academy Funds</b>	<b>280,490</b>	<b>200,244</b>	<b>187,546</b>	<b>189,957</b>	<b>146,610</b>

\* Comparative figures for 2017/18, 2018/19, and 2019/20 have not been restated



## REPORT OF THE DIRECTORS

During the financial year the balance transferred on acquisition from additions to the Trust was £8,602k (2021: £16,661k) relating to the following Academy:

Academy, College	Conversion/ transfer	Joining Date	Trading Activity
Co-op Academy New Islington	Transfer	1 July 2022	2 Months

During the year the above Academy had an income of £333k and expenditure of £316k (excluding depreciation). Details of the balances transferred are shown in note 30.

The majority of the balance of the Trust's income is derived from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA and associated expenditure are shown as restricted funds in the statement of financial activities on page 42.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned. The net-book value of fixed assets at the year-end was £324,316k (2021: £321,882k), which again reflects balances acquired for Co-op Academy New Islington joining the Trust. Movements in tangible fixed assets are detailed in note 12. The balance at the bank was £30,740k (2021: £25,824k). The net movement is detailed in the cash flow statement on page 44.

During the year ended 31 August 2022 the Trust's expenditure of £153,486k (2021: £135,279k) including the trading activities of Co-op Academy New Islington, who joined the Trust during the financial year. A detailed analysis of expenditure is shown in note 7.

The Trust received income from the main business sponsor of £543k (2021: £111k) which was a donation towards operational costs shown in note 2. The Trust also received a School Condition Allocation (SCA) grant from the ESFA amounting to £2,453k, for Academy improvements. This grant has been included in the SOFA as income but the majority of expenditure will not be incurred until the next academic year (2022-23).

During the year the Trust has generated a core net operating surplus, from restricted general and unrestricted funds, of £2,224k (2021: £3,685k). This surplus is before pension movements and is in line with business plan projections and in total, the Trust's combined (restricted general and unrestricted) revenue reserves are £18,948k (2021: £16,373k) which is in-line with the reserves policy.

Co-op Academy Clarice Cliff is situated in Private Finance Initiative (PFI) building which is owned by Transforming Schools (Stoke) Ltd. Operating payments made under the PFI contract this financial year totalled £112k (2021: £84k), this includes associated costs for catering, cleaning, utilities, and other ancillary services. Additional funding is received from the ESFA in relation to the PFI costs. In addition, the PFI assets have been recognised in the financial statements to reflect the effective freehold associated with the 125 year lease between the Local Authority and the Trust. PFI liabilities

## REPORT OF THE DIRECTORS

are not recognised in the Trust's financial statements as the Trust's contribution is towards revenue expenditure only, as opposed to capital expenditure.

Further details are shown in the Trust's statement of accounting policies note 1.

The Trust has a number of other Academies which are situated in PFI buildings, for which both assets and liabilities have been included on the balance sheet and details are shown below:

Co-op Academy	PFI Owned and Managed By	Commencement Date	PFI Expiry Date
Failsworth	Academies Services (Oldham) Limited	24 May 2006	31 January 2033
Walkden	S&W TLP (Project Co One) Ltd	8 December 2009	13 August 2036
Bebington	Wirral Schools Services Ltd	27 March 2001	31 July 2031
Southfield/ Grange	Integrated Bradford SPV Two Ltd	1 September 2009	13 March 2036
Leeds	Owned by Carrilion and Operated by MITE	1 September 2007	31 July 2033
Oakwood	Education Support Company	1 September 2003	31 July 2030

Operating payments made under the PFI contract include costs for catering, cleaning, utilities and other ancillary services.

The assets and corresponding liabilities are recognised in the Trust's financial statements as the Trust has taken on the obligations in respect of the PFI arrangement within the above Academies and the Trust does have substantially all of the risks and rewards incidental to ownership. In addition, the Academy / Trust is making payments towards the capital cost of the building and ownership will transfer to either the Local Authority (and to the Trust via a 125 year lease) or to the Trust at the end of the PFI arrangement. Further details are shown in the Trust's statement of accounting policies note 1, tangible fixed asset note 12 and financial commitments note 21.

The Trust's PFI liabilities have reduced to £61,076k (2021: £64,229k restated) and no new addition of PFI obligations has taken place in the year. Additional funding is received from the ESFA in relation to the PFI capital costs.

### Restatement of prior year figures

Co-op Academy Leeds joined the Trust on the 31 August 2012. The Academy is subject to a PFI arrangement through the local authority (Leeds City Council) which was formerly managed by Carillion and operated by MITIE. The PFI arrangement is due to end on 31 July 2033 and as at 31.8.2022 it has 10 years 48 weeks to expiry.

Co-op Academy Oakwood joined the Trust on the 1 September 2013. The Academy is subject to a PFI arrangement through the local authority (Leeds City Council) which was formerly managed and operated by Education Support Company. The PFI arrangement is due to end on 31 July 2030 and as at 31.8.2022 it has 7 years 48 weeks to expiry.

## REPORT OF THE DIRECTORS

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Prior to 2016 the above PFI arrangements were the only two that the Trust was involved with. At the time the two Academies joined the Trust no PFI assets (or corresponding liabilities) were recognised in the Trust's financial statements on the basis that the Trust was not a party to the above PFI agreements and the Trust did not appear to have substantially all of the risks and rewards incidental to ownership. As a result of this approach the PFI arrangement was in effect treated as an operating lease with the financial commitments included within note 21 of the Trust's financial statements.

Following a review by management, new information has been obtained and management have confirmed a 125 year lease to be in existence for both Leeds and Oakwood (as opposed to a 25 year lease as previously understood), meaning the risks and rewards of ownership rest with the Trust. Therefore the correct treatment for the above two PFI's should have been to include both assets and PFI liabilities in the Trust's financial statements, in the same way as the Trust has with other PFI's post 2016. Consequently, as set out in note 33, this constitutes a prior period adjustment and the comparative financial statements have been amended.

One of the most significant other items in the current year is the reduction in the outstanding net liabilities to the Local Government Pension Scheme which, during the year, reduced from £73,783k at the start of the year to £1,699k by the end of the year. This is due to changes in key assumptions, and particularly the rate at which future liabilities are discounted, leading to significant swing in the overall value of Trust's various pension schemes. The one new Academy joining in the year (see above details) transferred in a fully funded position.

As a result of accounting for the various Local Government Pension Schemes (LGPS) in which the Trust's academies participate, for the year ended 31 August 2022 the Trust recognises an asset (surplus) and a liability (deficit). As part of the Trust's steps taken to eliminate that deficit, it does not mean that an immediate liability for this amount crystallises; rather that it will have an impact on future contributions, and therefore future cash flows.

We have revisited our business plans and budgets, and ascertained how the pension costs might affect our budgets in the future. On the basis that any increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, we do not believe that there will be an actual cash flow deficit on the fund, or direct impact on the free reserves of the Trust because of recognising the deficit.

### Financial and Risk Management Objectives and Policies

Financial policies operate throughout the Trust, primarily the Financial Regulations and Scheme of Delegation which outlines the roles and responsibilities of directors, governors, principals, headteachers and all other staff in the use of the Trust's resources.

The nature of academy business is that the financial instruments that are dealt with are largely bank balances, cash, and trade creditors, with limited trade (and other) debtors. The Trust considers its exposure to financial instruments to be minimal and such information is not material to an assessment of the Trust's assets, liabilities, financial position, and its results. The Trust is however exposed to the defined benefit pension schemes as outlined in note 28, where there is detailed disclosure of the current position as independently actuarially assessed. Additional liabilities associated with those Academies with PFI buildings are outlined in note 21.

# REPORT OF THE DIRECTORS

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## Reserves Policy

The directors have approved a reserves policy which requires individual Academies to maintain a revenue reserve (consisting of restricted general and unrestricted reserves consistent with ESFA guidance) of between 5% (£7,289k) and 10-15% (£16,053k) of total income less PFI income. Budgets or forecasts which show a position outside of this range must be accompanied by a robust business case for Trust Board approval. At 31 August 2022 the Trust's revenue reserves was £18,948k (2021: £16,373k) with total Trust funds of £280,490k (2021 £200,244k) and at an academy level, reserves was £17,028k (2021 £14,883k) which was in excess of the required limits. This was predominantly due to the Trust's revenue reserves including £1,920k of ESFA capital grant which was received during the year but the corresponding expenditure has been delayed (due to Covid-19) until 2022-23.

As part of setting the budget, the directors review the level of reserves each year. This review will consider the nature of income and expenditure streams, the need to match income with commitments and the need to set aside funds for future replacement programmes. The Trust Board will also need to consider what reserves need to be set aside in view of the growth in net liabilities under its pension schemes referred to above. In particular, the Trust Board will need to ensure that academy budgets include an allowance for the inevitable increases in employer contribution that will follow from the next actuarial reviews.

## Investment Policy

The Trust's current investment policy is to maximise income from a low key risk strategy. In practice, this means no long term deposits/ investments.

## Financial Instruments

The nature of academy business is that the financial instruments that are dealt with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust considers its exposure to financial instruments to be minimal and such information is not material to an assessment of the trust's assets, liabilities, financial position and its results (see note 16).

## Principal Risks and Uncertainties

The directors have carried out a full review of its policy for assessing the risks which the Trust faces and have reviewed the process of assessing and managing these major risks which was carried out by the senior managers at various times during the year. The risks of the Trust are assessed at a Trust and an academy level, supported by detailed risk registers. The risk register is reviewed by the senior leadership team, before being presented to the Audit and Risk Committee and the Board. Steps are taken to mitigate risks. Some significant financial risks are covered by insurance. Other risks are minimised through the design of systems and procedures as preventative measures.

The main risks facing the Trust are safeguarding, escalating pension liabilities and not delivering improved educational outcomes for pupils, actual and potential financial challenges due to changes in funding and cost growth, and managing growth to ensure continuous improvement for all the Trust's Academies. Covid-19 continues to be a risk facing the Academies and the Trust.

### To mitigate these risks, the Trust has taken measures including:

- Investment in resources to deliver school improvement;
- Maintaining the Trust's responsibilities in relation to Safeguarding requirements;

# REPORT OF THE DIRECTORS

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- Review and revision to the approach to performance monitoring;
- Robust budget setting processes, supported by the application of the Reserves Policy;
- Detailed assessment of potential growth opportunities, including the impact on the Trust's existing Academies; and
- Additional investment into chromebooks and IT infrastructure to support online learning as required.

## Plans for Future Years

We will focus on the following key priorities (linked to our core values), identified from our strategic objectives, until the end of 2025. They are:

### Do What Matters Most

- To ensure our financial systems, operations and all processes are consistent, not just meeting compliance standards but going beyond this in terms of national and local benchmarking analysis;
- In every audit in all areas to ensure there are no critical actions that we aren't aware of and then resolve the actions as quickly as possible;
- To develop a financial model and policies within the Trust to ensure there is equality of resources and fairness so not one academy is financially constrained and restricted to an impossible degree;
- Reaching forty academies during the next eighteen months within the current hub and central support model and the current Growth Strategy. Moving from three hubs to four hubs when the time is right, making the Stoke and Staffordshire hub and Merseyside hub sustainable in their own right. Within our Growth Strategy increase the number of special schools so we can build capacity and expertise in this area;
- We are a diverse organisation in terms of type and phase of school, but that is not increased, and we look to expand our numbers of primary, secondary, special and colleges only;
- We develop our Due Diligence model, to include a process to assess culture alignment so it can be individualised for any given situation of transition for a school to the Trust. So it is thorough but also at the same time labour and cost efficient, consistently improving practice in this area;
- We are delivering an outstanding academies Direct and Early Careers programme for all our academies, ensuring we have an equal and diverse world class workforce ready to be recruited. The School Direct programme enriches our CPD offer, developing the notion of what a Co-op teacher represents, stands for and will deliver;
- For any new school joining the Trust, to develop a staffing framework that is cost effective and fits in well with local services offered by the hub and central teams within the key compliance areas. Crucially we do this as quickly as possible to allow maximum spend for the new academy on school improvement; and
- To deliver an innovative, effective and efficient IT central service, offering good value for money, but also ensuring the provision is of the highest quality within education.

### Be Yourself Always

- With the expertise we have in the Trust to ensure all our SEN students receive the very best of educational and learning experiences to maximise all outcomes for all levels of need, including opportunities for careers, employment and post-16 education. We are all socially inclusive and adopt the LA admission policy in every one of our academies. We celebrate the success of our special schools, and every possible opportunity;

## REPORT OF THE DIRECTORS

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- Continually working in partnership with LA's in applying for new Free Schools in communities where there is Co-op Academy Trust presence but also within new communities. This includes new Free Special Schools within the communities we serve, and exploring new ones;
- Our People Strategy ensures that our academies are great places to work, that we deliver equality in all areas with CPD at the very core of our central offer for all staff. We develop and nurture successful succession planning to ensure we develop our own quality leaders at every level;
- We ensure we are a leading Trust for working towards reducing the gender or equality diversity pay gap as much as possible and within recruitment at every level, including Governors, making sure we are fully representative of the communities we serve. We make a commitment to work towards being an employer who offers a real living wage guarantee for all areas of the Trust where possible;
- Across the Trust we ensure that we are an organisation that is truly equal, celebrating diversity within all our academies but also the communities they belong to. Our Trust is a great place to work in, but also fair to work in, with all our academies delivering an anti-racism curriculum; and
- To develop our Risk leadership and practice maintaining a healthy balanced risk appetite that evolves and changes as we grow.

### Show you Care

- We will develop a culture and sense of belonging in our academies where all stakeholders feel comfortable to speak up and notify the school for all safeguarding and matters relevant to Mental Health. Our academies really individualise their approach to care for the well-being of all the stakeholders, ensuring we offer a very safe school to work or learn in;
- To ensure we are a Green organisation working towards a carbon neutral footprint and giving full consideration to being totally environmentally friendly;
- All those belonging to the Trust are our Co-operators and we would like for all staff, pupils and parents so all colleagues to become members of the Co-op. To have that shared belonging and understanding of what being a Co-op means. The number of Co-op members grows exponentially;
- All our academies know, understand and deliver on their civic roles and responsibilities within their communities, ensuring they are a pivotal part of the region, supporting the community with its challenges and proactively looking for ways to improve the Co-op well-being index for all its residents. A compulsory community programme is the minimum expectation we would want all our academies to provide;
- To ensure stakeholder voices are heard and taken into consideration in the Trust's decision-making;
- To make sure all our academies are the school of choice in the community, ensuring our academies are full and oversubscribed. In the end there is no reduction of PAN's (published admissions numbers) needed and we look to expand numbers, so PAN's increasing reflecting ambition;
- Looking for further ways that the Trust can benefit and work with the Co-op to improve and maximise standards in every area. Building on existing alignment in values and focuses, then developing new ones with a common purpose for each party; and
- Within every academy, developing a community strategy that is locally relevant to improve the issues within that community, ensuring the school has the right Co-op reputation within the area.



# REPORT OF THE DIRECTORS

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## Succeed Together

- We deliver a Co-op Careers programme for all our students which all academies complete, very positively raising the hopes and ambitions of students but also lifting a community in aspiration. In doing so, our destination data is strong, positive and the Trust NEET (young people not in education, employment or training) percentage is always less than 3% at every stage and level. We develop and build the reputation and number of apprenticeships in the areas we work within;
- 100% of all our academies at their first inspection after joining the Trust are rated at least “good” in every area by Ofsted. Our current academies start to achieve “outstanding” and “good” Ofsted outcomes in all areas and, by 2025, we have 100% good or outstanding schools; the message being that a Co-op Academy is at least a good school, guaranteed for the community;
- All our academies annually achieve positive progress pupil scores for secondary, primary and post-16, working towards and achieving Trust-set targets in every area. This includes Pupil Premium and SEN students, with the gaps closing year on year. So, within the current framework, we are adding value to all of our pupils within our communities with positive progress;
- For new schools joining the Trust we achieve positive progress, accelerated improvement in every area by year two. If, when joining the Trust, they are good or outstanding, they will sustain and improve their progress scores in all areas from year one;
- All our academies for all pupils achieve at least national averages for attendance, indicating that the school is a positive place to attend; an exciting, broad and balanced curriculum is in place, in line with our Curriculum Trust statement;
- To ensure, as we continue to grow, the best value for money within our central contracts and in doing so making sure we share the best of practice in all key compliance areas across the Trust.
- To ensure our SCA (school condition allocation - capital funding) is concentrated on those academies that really need it, improving the environment for all our staff and students to work and learn in; and
- To offer every possible service to our academies, without having to outsource any area of operation, becoming totally independent and financially efficient.

## New and Prospective Academies

At its meeting in June 2022, the Trust Board gave approval for the commencement of the due diligence process for the transfer of the Bradford based St Mary's and St Peter's Primary School. Subject to the completion of the transfer documentation with the Department for Education, the Board would envisage the Academy joining the Trust in February 2023. The board also reaffirmed its decision to accept the transfer of Glebe Academy into the Trust this was completed on the 1st October 2022 (See note 31).

## Environment and Sustainability

The Board considers social, environmental and ethical matters in all aspects of the Trust's business. Along with senior managers they review and assess risks both to the long and short term value of the Trust through social, ethical and environmental factors. The Trust complies with environmental laws and regulations and seeks to work with suppliers and customers to improve the effectiveness of environmental management.

# REPORT OF THE DIRECTORS

## Streamlined Energy and Carbon Reporting (SECR)

The Trust's SECR report is the second year of the new reporting requirements.

	2022	2021
<b>UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022</b>		
Energy consumption used to calculate emissions kWh	<b>23,721</b>	22,869
Gas consumption in metric tonnes KgCO <sub>2</sub> e	<b>2,455</b>	2,561
Purchased electricity in metric tonnes KgCO <sub>2</sub> e	<b>2,175</b>	1,878
Academy travel in metric tonnes KgCO <sub>2</sub> e	<b>16</b>	9
Total gross emissions in metric tonnes KgCO <sub>2</sub> e	<b>4,647</b>	4,449
Intensity ratio in Tonnes CO <sub>2</sub> e per pupil	<b>0.26</b>	0.26

## Quantification and reporting methodology

The Trust has followed the 2021-22 HM Government Environmental Reporting Guidelines. The Trust has also used the GHG Reporting Protocol - Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

## Intensity measurement

The Trust has chosen to report the intensity measurement ratio as total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, as recommended the education sector.

## Measurement taken to improve energy efficiency

Energy performance was reviewed for all sites with out of hours usage identified as a key opportunity. Implementation of these measures have been impacted by Covid-19. This has also impacted overall performance with more ventilation needed.

## Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees. Fundraising within Academies is for national charities such as Children in Need. At all times the Trust has been mindful of the protection of the public, including vulnerable people.

# REPORT OF THE DIRECTORS

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## Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. Insofar as the Directors are aware:

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

The Directors' Annual Report is approved by order of the members and the Strategic Report (included therein) is approved by the Board in its capacity as directors on 19th December 2022 and signed on its behalf by:

*Russell Gill*

**Mr R Gill**  
**Chair**

# GOVERNANCE STATEMENT

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## Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that the Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Trust's Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreements between the Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or a breakdown in internal control.

As Trustees we are cognisant of the need for robust handling of any conflicts of interest. As well as ensuring that all trustees and committee members, including those governing at local level, complete an annual declaration of interests which is published on our website, all trustees and governors are asked at every meeting whether they have any pecuniary or personal interest that conflicts with any item of business on the agenda. Our governance documentation provides for trustees and governors absenting themselves or being asked to do so from any discussion or decision in which they have such an interest, and this is minuted in each meeting. All employees also complete an annual declaration of interests.

## The Co-op Academies Trust: Governance

### Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities.

The Board of Directors has formally met five times during the year. Attendance during the year at a meeting of the Board of Directors was as follows:

Director	Meetings Eligible	Meetings Attended	Attendance %
Russell Gill (Chair)	5	5	100%
Mags Bradbury	5	5	100%
Neil Braithwaite (Term of office ended 31.8.22)	5	4	80%
Jane Cowell	5	5	100%
Mike Greenacre (Term of office ended 31.8.22)	5	5	100%
Patsy Kane	5	5	100%
Gill Gardner (Term of office ended 31.8.22)	5	4	80%
Shaheen Myers (Resigned 18.10.2022)	5	3	60%

## GOVERNANCE STATEMENT

Arati Patel-Mistry	5	5	80%
Dave Robertson	5	5	100%
Gill Robinson	5	5	100%
Tim Cutting (appointed from 1.9.22)	-	-	-

Board members also attended up to 25 other delegated subcommittee meetings to maintain effective management and oversight.

Whilst there have been fewer than 6 meetings of the Board of Directors this year, the Directors are comfortable that an appropriate level of effective oversight has been maintained through well-planned meetings, open dialogue throughout the year, and the regular meeting of the 4 other oversight committees.

### Governance Reviews

The trustees are satisfied with overall governance arrangements and have implemented plans for continuous improvement of arrangements, following a full review of board effectiveness in July 2021.

Governance arrangements, including financial regulations and a scheme of delegation, were created for the establishment of the Trust on 1 September 2014. During the year, the trustees undertook a comprehensive review of the governance arrangements of the Trust. At its meeting in July, the trustees approved revised governance documents to be implemented across the Trust. A review of governance arrangements takes place annually (as part of its annual update in respect to regularity changes) and includes feedback from academies and academy governing councils. The latest full review of Board effectiveness including skills sets took place in July 2020, but this was updated in summer 2021 when the skills of the whole board were considered as part of a Trustee recruitment exercise. An external review of governance in the trust is planned for the summer term of 2023.

### Audit and Risk Committee

The committee is a sub-committee of the main Board of Trustees. Its purpose is to support both the CEO and the Board in their responsibilities for issues of risk, internal control and governance by reviewing the comprehensiveness of assurances in meeting the Trust Board's accounting needs. As part of its role, the Committee selects an external and internal auditor and oversees their work. Attendance during the year at a meeting of the Committee was as follows:

Director	Meetings Eligible	Meetings Attended	Attendance %
Neil Braithwaite (Chair up to 31.8.22, Term of office ended 31.8.22)	5	5	100%
Gill Gardner (Term of office ended 31.8.22)	5	5	100%
Russell Gill	5	5	100%
Dave Robertson (Chair from 7.10.22)	4	3	75%
Tim Cutting (appointed from 1.9.22)	-	-	-

# GOVERNANCE STATEMENT

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## Finance Committee

The committee is a sub-committee of the main Board of Directors. Its purpose is to support both the CEO and the Board in their responsibilities for financial issues of performance management, budgeting, budgetary control, treasury management and business planning by reviewing the comprehensiveness of assurances in meeting the Trust Board's accounting needs. Attendance during the year at a meeting of the Committee was as follows:

Director	Meetings Eligible	Meetings Attended	Attendance %
Neil Braithwaite (Chair up to 31 August 2022) Term of Office ended 31 August 2022	5	5	100%
Gill Gardner	5	5	100%
Russell Gill	5	5	100%
Dave Robertson	4	3	75%
Tim Cutting (appointed from 1.9.22, Chair from 7.10.22)	-	-	-

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## Outcomes Committee

The committee is a sub-committee of the main Board of Trustees. Its purpose is to support both the Trust CEO and the Board in their responsibilities for issues of pupil/ student outcomes including examination and internal assessment results, attendance, punctuality, exclusions, and wellbeing. Attendance during the year at meetings of the Committee was as follows:

Director	Meetings Eligible	Meetings Attended	Attendance %
Mags Bradbury (Chair)	4	4	100%
Gill Robinson	4	3	75%
Jane Cowell	4	3	75%
Patsy Kane	4	4	100%
Russell Gill	4	4	100%
Shaheen Myers (resigned 18.10.2022)	2	-	0%

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# GOVERNANCE STATEMENT

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## Growth and Development Committee

The committee is a sub-committee of the main Board of Directors. Its purpose is to support both the CEO of the Trust and the Board in their responsibilities relating to the addition of new Academies to the Trust, including overseeing due diligence, ensuring growth is in line with strategic priorities, and monitoring the performance of new Academies.

Director	Meetings Eligible	Meetings Attended	Attendance %
Jane Cowell (Chair)	7	7	100%
Russell Gill	7	6	86%
Mike Greenacre (Term of Office ended 31.8.22)	7	6	86%
Tony Hind	7	6	86%
Shaheen Myers (Resigned 18.10.22)	3	3	100%

## Remuneration Committee

The committee is a sub-committee of the main Board of Directors. Its purpose is to performance manage the CEO, and to advise the Board on pay and performance management policy and practice across the Trust, and to benchmark and oversee senior leadership pay

Director	Meetings Eligible	Meetings Attended	Attendance %
Russell Gill (Chair)	2	2	100%
Jane Cowell	2	2	100%
Mike Greenacre (Term of Office ended 31.8.22)	2	2	100%
Mags Bradbury	2	2	100%
Neil Braithwaite (Term of Office ended 31.8.22)	2	2	100%
John Hill (Non-trustee, Co-opted member)	1	1	100%
Dave Robertson (appointed 1.9.22)	-	-	-
Tim Cutting (appointed 1.9.22)	-	-	-

As well as including the chair, vice chair and all committee chairs this committee has co-opted a member of the Co-op Group's remunerations team to support its work.

# GOVERNANCE STATEMENT

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## Review of Value for Money

The CEO has responsibility for ensuring that the Trust delivers good value for money 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 CEO considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Significantly increasing expenditure on school improvement managed through central trust funds;
- Undertaking extensive due diligence processes for schools and Academies wishing to join the Trust and ensuring that only those financially viable are accepted; and
- Establishing service level agreements with local schools and Academies not in the Trust for providing school improvement services.

During the year the Trust refined its robust investment appraisal approach to ensure that all major spending decisions are assessed and challenged at both an academy governing council and at Trust level to ensure that, for each investment, pupil outcomes are improved, value for money is obtained and the academy and Trust keep to the requirements of the reserves policy.

The Trust remains committed to maximising value for money. Moving forward, the Trust will continue to identify and pursue opportunities to achieve procurement savings arising from the scale. In addition, a key part of the appraisal of new academies will be a robust appraisal of both the cost to the Trust of the acquisition and the opportunity presented to increase resources devoted to school improvement across all of the academies.

## The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims, and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims, and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place from 1 September 2021 to 31 August 2022 and up to 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 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 ongoing process for identifying, evaluating and

# GOVERNANCE STATEMENT

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managing the Trust's significant risks that have been in place from 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

## The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of Trustees 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; and
- identification and management of risks.

The Board of Trustees appointed an internal auditor (BDO LLP) to undertake a review of internal controls within each academy and at a Trust level in order to provide a level of assurance on the operation of controls at year-end.

The internal auditor carried out checks in the current year on:

- GDPR;
- Governance;
- Regulatory Compliance;
- HR Controls;
- Performance Reporting and Data Integrity; and
- 2021 Follow up Audit Actions.

Recommendations were made by the internal auditor as a result of the reviews, none of which amounted to a material control issue. The internal auditor is directed by and reports to the Audit and Risk Committee.

## Review of Effectiveness

The CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the review of governance; and
- the work of headteachers and finance managers within the academies who have responsibility for the development and maintenance of the internal control framework.

# GOVERNANCE STATEMENT

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## Anti-Slavery & Human Trafficking Policy

The Trust is committed to acting ethically and with integrity in all its business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. We are also committed to raising awareness of modern slavery and human trafficking through our work with pupils/students.

The Trust has produced an Anti-Slavery and Human Trafficking Policy and has cascaded this out to all colleagues. Our safer recruitment processes ensure that all prospective employees are legally entitled to work in the UK. Further details of actions taken are included in our Statement on Modern Slavery, which was approved by the Trust Board and is published on our website at <http://www.coopAcademies.co.uk/about/policies>.

The Accounting Officer has been advised of the implications of the results of their reviews of the system of internal control and a plan to address any weaknesses and ensure continuous improvement of the system is in place. A review of progress made on issues identified in the previous year was undertaken and reported to the Trust Board and to each academy governing council.

Approved by order of the Board on 19<sup>th</sup> December 2022 and signed on its behalf by:

*Russell Gill*

**Mr R Gill**  
**Chair**

*christopher Tomlinson*

**Mr C Tomlinson**  
**Accounting Officer**

## STATEMENT ON REGULARITY, PROPRIETY & COMPLIANCE

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As Accounting Officer of The Trust, I have considered my responsibility to notify the Trust Board of Directors and the Education Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies trust handbook 2021-22.

I confirm that I and the Trust Board of Directors are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies trust handbook 2021-22.

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

*christopher Tomlinson*

**Mr C Tomlinson**

**Accounting Officer**

**19<sup>th</sup> December 2022**

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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The Directors who are also the Trustees of The Co-op Academies Trust for the purposes of charity law, are responsible for preparing the Directors Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Skills Funding Agency (ESFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under company law the Directors 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 Co-op Academies Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the 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 directors are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Directors on 19<sup>th</sup> December 2022 and signed on its behalf by:

*Russell Gill*

**Mr R Gill**  
**Chair**



# INDEPENDENT AUDITOR'S REPORT

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## TO THE MEMBERS OF THE CO-OPERATIVE ACADEMIES TRUST Year Ending 31 August 2022

### Opinion

We have audited the financial statements of Co-operative Academies Trust (the “charitable company”) for the year ended 31 August 2022 which comprise the Statement of Financial Activities (including Income and Expenditure), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

# INDEPENDENT AUDITOR'S REPORT

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## Other information

The other information comprises the information included in the Report of the Directors other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Report of the Directors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of the Directors have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors or the Strategic Report included within the Report of the Directors.

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

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

## Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 37, the directors (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# INDEPENDENT AUDITOR'S REPORT

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In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company 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.

## **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academy Trust Handbook and Academies Accounts Direction. We performed audit procedures to detect non-compliances which may have a material

# INDEPENDENT AUDITOR'S REPORT

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impact on the financial statements which included reviewing the financial statements including the Report of the Directors and evaluating relevant advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

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

## Use of our report

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

RSM UK Audit LLP

John Guest (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF  
Date: 21/12/22

# FINANCIAL STATEMENTS

## Statement of Financial Activities

For the year ended 31 August 2022  
(including income and expenditure account)

	Note	Unrestricted General Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Restated Total 2021 £000
<b>Income and Endowments from:</b>						
Donations and Capital Grants	2	576	-	3,447	<b>4,023</b>	7,178
Academy transfer from local authority	30	-	-	-	-	4,532
Transfer from existing academy	30	-	351	8,251	<b>8,602</b>	-
<b>Charitable activities</b>						
Funding for the trust's educational operations	3	1,256	134,512	-	<b>135,768</b>	129,081
Other trading activities	4	2,080	-	-	<b>2,080</b>	2,281
Investments	5	7	-	-	<b>7</b>	3
<b>Total incoming resources</b>		<b>3,919</b>	<b>134,863</b>	<b>11,698</b>	<b>150,480</b>	143,075
<b>Expenditure on Charitable activities:</b>						
<b>Total resources expended (educational operations)</b>	6/7	3,873	139,544	10,069	<b>153,486</b>	136,279
<b>Net income/ expenditure</b>		<b>46</b>	<b>(4,681)</b>	<b>1,629</b>	<b>(3,006)</b>	6,796
Transfers between funds	18	-	(3,958)	3,958	-	-
Other recognised (losses)/gains						
Remeasurement of net defined benefit obligations	28	-	83,252	-	<b>83,252</b>	(6,557)
<b>Net movement in funds</b>		<b>46</b>	<b>74,613</b>	<b>5,587</b>	<b>80,246</b>	<b>239</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,262	(61,672)	257,654	<b>200,244</b>	200,005
<b>Total funds carried forward</b>		<b>4,308</b>	<b>12,941</b>	<b>263,241</b>	<b>280,490</b>	<b>200,244</b>

# FINANCIAL STATEMENTS

Balance Sheet for year ended 31 August 2022		Note	Total 2022 £000	Restated Total 2021 £000
Company Registration Number: 7747126				
Fixed assets				
Tangible assets	12	324,316	321,882	
Current assets				
Stock	13	17	12	
Debtors	14	11,547	6,081	
Cash and cash equivalents		30,740	25,824	
Total current assets		42,304	31,917	
Liabilities				
Creditors: amounts falling due within one year	15	(23,063)	(20,638)	
Net current assets		19,241	11,279	
Total assets less current liabilities		343,557	333,161	
Creditors: amounts falling due greater one year	15	(55,836)	(59,134)	
Defined benefit pension scheme liability	28	(7,231)	(73,783)	
Net assets		280,490	200,244	
Restricted Funds				
Fixed asset fund	18	263,241	257,654	
General fund	18	14,640	12,111	
Pension reserve	18	(1,699)	(73,783)	
Total restricted fund		276,182	195,982	
Unrestricted fund	18	4,308	4,262	
Total funds		280,490	200,244	

The financial statements on pages 42 to 81 were approved by the directors, and authorised for issue on the 19 December 2022 and signed on their behalf by:

*Russell Gill*

**Mr R Gill - Chair**



## FINANCIAL STATEMENTS

<b>Cash Flow Statement</b> for year ended 31 August 2022	<b>Note</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
<b>Cash flows from operating activities</b>			
Net Cash flow provided by operating activities	22	<b>11,563</b>	13,437
Net Cash flows from financing activities	23	<b>(6,124)</b>	(6,732)
Net Cash flows from investing activities	24	<b>(521)</b>	(1,983)
<b>Net increase in cash and cash equivalents in the reporting period</b>		<b>4,918</b>	4,722
Cash and cash equivalent at 1 September 2021		<b>25,824</b>	21,102
<b>Cash and cash equivalent at 31 August 2022</b>		<b>30,742</b>	25,824

# NOTES TO THE FINANCIAL STATEMENTS

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## 1. Statement of Accounting Policies

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

### General Information

The Trust is a charitable company. The address of the Trust's principal place of business is given on pages 2 - 3. The nature of the Trust's operations are set out in the Report of Directors.

### Basis of Preparation

The financial statements of the Trust, 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 2021/22 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are presented in sterling which is also the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

### Multi-academy Trust Combination

The Trust enters into combinations that involve both the conversion of local authority schools to Academies and also the transfer of existing Academies.

The transfer of Co-op Academy New Islington into the Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for as set out below.

The assets and liabilities transferred on conversion/transfer from the school to the Trust have been valued at their fair value. Fair value is derived based on the cost of an equivalent item. For land and buildings, the buildings were transferred at their depreciated replacement cost as recorded in the relevant accounts as at the date of transfer. The amounts have been recognised under the appropriate balance sheet categories with a corresponding amount recognised in donations and capital grants in the statement of financial activities in the year of acquisition and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the note 30.

### Going Concern

The Directors assess whether the use of going concern is appropriate 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 Directors make this assessment in respect of a period of at least one year from the date of approval of the financial statements.

The Directors are confident that continued improvements in budgeting and in the quality and speed of financial data ensures that management and the Directors are able to continue to monitor the viability

# NOTES TO THE FINANCIAL STATEMENTS

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of the trust, and are able to identify and react to the impacts and risks that Covid-19 and increasing level of inflation have brought to the sector. In addition, before any new academy agrees to join the Trust a rigorous due diligence process is performed including an assessment of the impact of any new joiners on the finances of the Trust as a whole. Cash and revenue forecasts for this period have been produced for all Academies and considered from a Trust perspective; the basis of preparation has been conservative and shows that the Trust will continue to trade as a going concern for the foreseeable future and that there are no material uncertainties about the trust's ability to continue as a going concern.

The Directors therefore consider the accounts should be prepared on a going concern basis.

## Incoming Resources

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

## Grants Receivable

Capital grants are included in donations on a receivable basis to the extent there is entitlement and performance conditions are met. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

The general annual grant ('the GAG') from the ESFA, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities for the year it is receivable and any abatement in respect of the period is deducted from income and is recognised as a liability.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable on a performance basis. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

## Sponsorship and Donations Income

Sponsorship and donations income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where receipt is probable and it is measurable.

## Other Income

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

## Transfer on Conversions

Where assets and liabilities are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. In the case of net assets being acquired, an equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received. In the case of net liabilities being acquired, an equal amount of expenditure is recognised under expenditure on charitable activities to the net liabilities received.

## Transfer of Existing Academies

Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. In the case of net assets being acquired, an equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired. In the case of net liabilities being acquired, an equal amount of expenditure is recognised under expenditure on charitable activities to the net liabilities received.

# NOTES TO THE FINANCIAL STATEMENTS

## Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of its beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

## Tangible Fixed Assets

Assets costing £500 or more, or lower value items which amount to £2,500 in aggregate, 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 where they are required for continued use 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.

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

Fixed Asset Category	Expected Useful Life
Freehold land	Freehold land not depreciated
Long leasehold land	125 Years - (max, subject to the length of the LA lease)
Freehold and long leasehold buildings	50 Years - (max, subject to independent professional advice)
Plant and machinery	8 Years
Fixtures, fittings and equipment	8 Years
Equipment acquired on conversion	3 Years
ICT equipment	4 Years
Motor vehicles	5 Years

## NOTES TO THE FINANCIAL STATEMENTS

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Assets under the course of construction are included at cost and are not depreciated until brought fully into use.

Impairment reviews are carried out if events change or 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.

### Leased Assets

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

### Assets subject to PFI Arrangements

An asset and liability are recognised for PFI agreements where the Trust has taken on the obligations in respect of a liability to the Local Authority in respect of the PFI liability and the Trust has substantially all of the risks and rewards incidental to ownership. The amount capitalised as an asset is the fair value of the asset subject to PFI agreements. The value of the liability is represented by a present value of expected future cash flows. PFI payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability and relates to the Co-op Academy's Failsworth, Walkden, Bebington, Southfield/Grange, Leeds and Oakwood.

Where PFI arrangements are such that the Trust has effective freehold of the asset by virtue of 125 year lease between the Trust and the Local Authority, the PFI assets have been recognised in the financial statements. The amount capitalised as an asset is the fair value of the asset subject to PFI agreements. PFI liabilities are not recognised in the Trust's financial statements where the Trust's contribution is towards revenue expenditure only, as opposed to capital expenditure. This only relates to Co-op Academy Clarice Cliff.

### Stock

Unsold uniforms are valued at the lower of cost and estimated selling price less costs to complete and sell.

### Liabilities

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

### Provisions

Provisions are recognised when the 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 as a financing cost in the period it arises in the statement of financial activities and is allocated to the appropriate expenditure heading.

### Financial Instruments

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

## NOTES TO THE FINANCIAL STATEMENTS

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Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. The nature of academy business is that the financial instruments that are dealt with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust considers its exposure to financial instruments to be minimal and such information is not material to an assessment of the trust's assets, liabilities, financial position and its results (see note 16).

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all risks and rewards of ownership are transferred to another party, or if some significant risk and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments measured at amortised cost are included in trade debtors and other debtors. Financial liabilities measured at amortised cost are included in trade creditors and accruals.

### Taxation

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

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 projected unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contribution recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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.



# NOTES TO THE FINANCIAL STATEMENTS

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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 Trust at the discretion of the directors.

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 ESFA/ department for education.

## Agency Arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 32.

## Critical Accounting Estimates and Areas of Judgement and Assumptions

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

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

### Critical accounting estimates - Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit asset/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 28, 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 asset/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 asset/liability.

The Trust has considered the implication of the McCloud/ Sargeant judgement, and GMP equalisation in the 2019 financial statements, and is satisfied with the actuarial treatment within the valuations at 31 August 2022 as detailed in note 28.

### Critical accounting estimates – Calculation of liabilities associated with PFI arrangements

The present value of the liabilities associated with the Trust's PFI arrangements depends on a number of factors that are determined using a variety of estimates and assumptions. The estimates used include management making an assessment over the split of payments made under PFI arrangements into both capital and revenue elements. Only the capital element is included within the calculation of the associated liability (with revenue elements being included within operating costs as incurred). The assumptions used in determining the present value of the liability include the discount rate used and assumptions made over future inflation that has been applied to expected payments associated with this arrangement. Any changes in these assumptions, which are disclosed in note 15,

# NOTES TO THE FINANCIAL STATEMENTS

will impact the carrying amount of the associated liability. The liabilities associated with such arrangements total £61,076k (2021: £64,229k).

## Critical accounting estimates – Useful economic lives and residual values of tangible fixed assets

In making decisions regarding the depreciation of tangible fixed assets, management must estimate the useful life of said assets to the Trust. A change in estimate would result in a change in the depreciation charged to the Statement of Financial Activities in each year. The carrying value of tangible fixed assets subject to such estimates total £324,316k (2021: £321,882k).

## Areas of judgement - Assessment of properties subject to PFI

Management are required to make a judgement as to the appropriate accounting treatment and presentation of properties subject to PFI. Judgements are made as to whether the Academy Trust has substantially all the risks and rewards of ownership of the PFI asset (and therefore recognise the asset on the Academy Trust balance sheet) and whether or not the Academy Trust has contractual obligations to contribute towards the capital element of such agreements (and therefore recognise any associated liabilities).

## 2. Donations and Capital Grants

Summary of grants received	Unrestricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
DfE/ ESFA capital grants	-	2,732	<b>2,732</b>	4,335
Devolved formula capital grants	-	397	<b>397</b>	385
Local authority capital grants	-	318	<b>318</b>	2,263
Other donations	33	-	<b>33</b>	84
Contributions from sponsor	543	-	<b>543</b>	111
<b>Total donations and capital</b>	<b>576</b>	<b>3,447</b>	<b>4,023</b>	7,178

The income from donations and capital grants in 2021 was £7,178,000 of which £195,000 was unrestricted, £6,983,000 was restricted fixed asset funds and £nil was restricted general funds.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. Funding for Educational Operations

Funding for educational operations	Unrestricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
<b>DfE/ ESFA Grant</b>				
General annual grant (GAG)	-	99,036	<b>99,036</b>	90,423
GAG - PFI Income	-	5,018	<b>5,018</b>	4,989
Start up grants	-	10	<b>10</b>	75
Funding for sixth form	-	4,840	<b>4,840</b>	5,070
Insurance income	-	85	<b>85</b>	71
Rates relief	-	453	<b>453</b>	493
Pupil premium	-	8,012	<b>8,012</b>	7,454
Other DfE/ ESFA	-	3,544	<b>3,544</b>	5,716
<b>Total DfE/ ESFA grants</b>	-	120,998	<b>120,998</b>	114,291
<b>Other government grants</b>				
FFI funding (SEND)	-	7,874	<b>7,874</b>	7,004
Nursery funding LA	-	1,242	<b>1,242</b>	1,082
Covid-19 catch-up premium	-	1,250	<b>1,250</b>	1,672
Other Covid-19 funding	-	-	-	214
Covid-19 CJRS funding	-	-	-	34
Other local authority grants	-	2,543	<b>2,543</b>	3,416
<b>Total government grants</b>	-	12,909	<b>12,909</b>	13,422
<b>Other income</b>				
Catering income	1,256	-	<b>1,256</b>	713
Other grants	-	605	<b>605</b>	655
<b>Total other</b>	1,256	605	<b>1,861</b>	1,368
<b>Total</b>	1,256	134,512	<b>135,768</b>	129,081

Funding for the Trust's educational operations in 2021 was £129,081,000 of which £713,000 was unrestricted, £nil was restricted fixed asset funds and £128,368,000 was restricted general funds.

## NOTES TO THE FINANCIAL STATEMENTS

For some schools, The Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under Covid-19 Additional Income.

### 4. Other trading activities

Other trading income	Unrestricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
Hire of facilities	705	-	705	398
Trip income	199	-	199	23
Other income	737	-	737	1,660
Charges to other bodies	439	-	439	200
<b>Total other trading income</b>	<b>2,080</b>	<b>-</b>	<b>2,080</b>	<b>2,281</b>

Other trading activities in 2021 was £2,281,000 of which £2,281,000 was unrestricted, £nil was restricted fixed asset funds and £nil was restricted general funds.

### 5. Investment income

Investment income	Unrestricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
<b>Total Short term deposits</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>3</b>

Investment Income in 2021 was £3,000 of which £3,000 was unrestricted, £nil was restricted fixed asset funds and £nil was restricted general funds.

# NOTES TO THE FINANCIAL STATEMENTS

## 6. Resources expended on charitable activities

6. Resources expended charitable activities	Staffing Costs £000	Premises Costs £000	Other Costs £000	Total 2022 £000	Restated Total 2021 £000
<b>Trust's educational operations</b>					
Direct costs	89,175	10,069	8,424	<b>107,668</b>	98,591
Allocated support costs	24,214	10,374	11,230	<b>45,818</b>	37,688
Cost of educational operations	113,389	20,443	19,654	<b>153,486</b>	136,279
Total Resources expended	113,389	20,443	19,654	<b>153,486</b>	136,279

Resources Expended on Charitable Activities in 2021 was £136,279,000 of which £3,056,000 was unrestricted, £9,017,000 was restricted fixed asset fund and £124,206,000 was restricted general funds.

Net income/ (expenditure) for the year includes	Total 2022 £000	Restated Total 2021 £000
Operating lease rentals	<b>3,309</b>	3,158
Depreciation	<b>10,069</b>	9,017
Net interest on defined pension liabilities	<b>2,884</b>	1,015
Interest in respect of liabilities on those academies with PFI arrangements in place	<b>2,978</b>	1,375
Fees payable to RSM UK Audit LLP		
- Audit service – Statutory audit	<b>65</b>	60
- Other non-audit services	<b>5</b>	40

# NOTES TO THE FINANCIAL STATEMENTS

## 7. Charitable activities - educational operations

Charitable activities educational operations	Unrestricted General Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Restated Total 2021 £000
Teaching and educational support staff costs	-	89,175	-	<b>89,175</b>	82,614
Depreciation	-	-	10,069	<b>10,069</b>	9,017
Educational supplies	-	3,487	-	<b>3,487</b>	2,674
Examination fees	-	1,098	-	<b>1,098</b>	913
Pupil support	-	1,506	-	<b>1,506</b>	1,611
Educational consultancy	-	2,333	-	<b>2,333</b>	1,762
<b>Total direct costs</b>	<b>-</b>	<b>97,599</b>	<b>10,069</b>	<b>107,668</b>	98,591
<b>Allocated support costs</b>					
Support staff costs	1,337	22,189	-	<b>23,526</b>	20,360
Catering and trip expenditure	2,269	1,666	-	<b>3,935</b>	2,665
Recruitment and support	-	688	-	<b>688</b>	872
Maintenance of premises	-	5,487	-	<b>5,487</b>	4,099
PFI operating costs	-	368	-	<b>368</b>	(460)
PFI interest costs	-	2,978	-	<b>2,978</b>	1,374
Electricity, gas and water	-	1,730	-	<b>1,730</b>	1,642
Cleaning, refuse and other	-	1,817	-	<b>1,817</b>	1,739
Legal and professional fees	100	493	-	<b>593</b>	703
Governance costs - audits	-	1	-	<b>1</b>	40
Rent and rates	-	551	-	<b>551</b>	588
Security and transport	-	421	-	<b>421</b>	217
Bank interest and charges	-	12	-	<b>12</b>	6
Technology costs	-	1,560	-	<b>1,560</b>	2,191
Marketing and promotion	167	-	-	<b>167</b>	245
Telephone, post and stationery	-	756	-	<b>756</b>	646
Non-educational consultancy	-	1,228	-	<b>1,228</b>	761
<b>Total support costs</b>	<b>3,873</b>	<b>41,945</b>	<b>-</b>	<b>45,818</b>	37,688
<b>Total education costs</b>	<b>3,873</b>	<b>139,544</b>	<b>10,069</b>	<b>153,486</b>	136,279

# NOTES TO THE FINANCIAL STATEMENTS

## 8. Staff costs and staff numbers

Staff costs analysis	Total 2022 £000	Total 2021 £000
Wages and salaries	75,425	72,041
Social security costs	6,733	6,376
Operating cost of defined benefit pension schemes	25,795	22,014
<b>Total staff costs</b>	<b>107,953</b>	<b>100,431</b>
Supply staff costs	4,936	3,103
Staff restructuring costs	500	312
<b>Total supply and restructuring costs</b>	<b>5,436</b>	<b>3,415</b>
<b>Total costs</b>	<b>113,389</b>	<b>103,846</b>

Staff restructuring costs	Total 2022 £000	Total 2021 £000
Redundancy payments	75	-
Severance payments	425	312
<b>Total restructuring costs</b>	<b>500</b>	<b>312</b>

No specific funding was received or receivable to support the restructuring/ severance payments in respect of the current or prior year. The Trust made 38 restructuring/ severance payments during the year, disclosed in the following bands: 33 below £25,000 and 5 between £25,001 and £50,000.

Non-statutory/non-contractual severance payments totalled £185k (2021: £36k). Individually these payments were:

Payment Month	Payment £	Payment Month	Payment £	Payment Month	Payment £
October 2021	11,934	January 2022	19,800	June 2022	10,415
November 2021	1,854	March 2022	30,000	August 2022	18,500
November 2021	6,647	April 2022	15,417	August 2022	4,158
November 2021	15,104	June 2022	1,067	August 2022	8,104
December 2021	9,465	June 2022	2,492	August 2022	7,945
January 2022	6,854	June 2022	15,000	-	-



## NOTES TO THE FINANCIAL STATEMENTS

The average number of persons (including senior management team) employed by the Trust during the year expressed headcount as follows:

Average numbers of persons employed In year	Total 2022 Headcount	Total 2021 Headcount
Leadership	143	136
Teachers	990	978
Administration and support	1,400	1,422
<b>Total</b>	<b>2,533</b>	<b>2,536</b>

### 9. Staff costs

#### Higher paid staff

The number of employees whose emoluments (including taxable benefits, national insurance contributions but excluding employer's pension and national insurance contributions) fell within the following bands:

Staff emoluments by banding	Total 2022 Headcount	Total 2021 Headcount
£60,001 - £70,000	47	41
£70,001 - £80,000	26	19
£80,001 - £90,000	5	6
£90,001 - £100,000	5	4
£100,001 - £110,000	2	4
£110,001 - £120,000	4	2
£120,001 - £130,000	3	3
£130,001 - £140,000	2	2
£140,001 - £150,000	-	-
£150,001 - £160,000	1	1

# NOTES TO THE FINANCIAL STATEMENTS

## Key management personnel compensation

The key management personnel of the Trust comprises the directors and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Trust was £1,153,988 (2021: £1,133,215).

## 10. Directors' remuneration and expenses

No statutory director received remuneration in respect of services they provide undertaking the role as staff under a contract of employment and not in respect of their services as a statutory director (2021 one director). Other statutory directors did not receive any payments from the Trust in respect of their role as statutory directors.

Director's remuneration and expenses	Total 2022 £000	Total 2021 £000
<b>1. Accounting Officer (not a statutory director)</b>		
Remuneration	156	160
Employers' pension contribution	37	38
<b>Total</b>	<b>193</b>	<b>198</b>
<b>2. Other Director</b>		
Remuneration	-	63
Employers' pension contribution	-	14
<b>Total</b>	<b>-</b>	<b>77</b>

During the year ended 31 August 2022, the Accounting Officer who is not a statutory director, had annual remuneration of £156,061 and employers pension contribution (Teachers Pension Scheme) of £36,640. Travel and subsistence expenses totalling £1,328 was also reimbursed. We have not disclosed amounts paid to the highest paid statutory director because no statutory directors received remuneration in respect of services they provide undertaking the role as staff under a contract of employment and not in respect of their services as a statutory director. Related party transactions involving the directors are set out in note 29.

## 11. Directors and officers insurance

In accordance with normal commercial practice the Trust has purchased insurance through the Risk Protection Agency (RPA) to protect Directors', Governors' and officers for claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides unlimited indemnity cover for the year ended 31 August 2022. The cost of this insurance is included in the total RPA insurance cost.

# NOTES TO THE FINANCIAL STATEMENTS

## 12 Tangible Fixed Assets

<b>Tangible Fixed Assets</b>	<b>Freehold Land and Buildings £000</b>	<b>Leasehold Land and Buildings £000</b>	<b>Assets Under Construct £000</b>	<b>Furniture and Equip £000</b>	<b>IT Equip £000</b>	<b>Motor Vehicles £000</b>	<b>Total 2022 £000</b>
<b>Cost</b>							
Restated balance brought forward 1 September 2021	75,447	264,822	669	8,520	8,182	254	<b>357,894</b>
Acquired on transfer of existing Academies to the Trust	-	8,148	-	98	5	-	<b>8,251</b>
Transfer to/from AUC	43	607	(669)	19	-	-	-
Additions	172	657	393	1,613	1,454	35	<b>4,324</b>
Disposals	-	-	-	(64)	(15)	-	<b>(79)</b>
Reclassification of opening balances	-	(4)	-	5	31	-	<b>32</b>
<b>Balance carried forward 31 August 2022</b>	<b>75,662</b>	<b>274,230</b>	<b>393</b>	<b>10,191</b>	<b>9,657</b>	<b>289</b>	<b>370,422</b>
<b>Depreciation</b>							
Restated balance brought forward 1 September 2021	6,474	19,670	-	4,914	4,783	171	<b>36,012</b>
Charged in year	1,789	5,891	-	856	1,491	42	<b>10,069</b>
Disposals	-	-	-	(6)	(1)	-	<b>(7)</b>
Reclassification of opening balances	-	(2)	-	3	31	-	<b>32</b>
<b>Balance carried forward 31 August 2022</b>	<b>8,263</b>	<b>25,559</b>	<b>-</b>	<b>5,767</b>	<b>6,304</b>	<b>213</b>	<b>46,106</b>
<b>Net Book Values</b>							
<b>Balance carried forward 31 August 2022</b>	<b>67,399</b>	<b>248,671</b>	<b>393</b>	<b>4,424</b>	<b>3,353</b>	<b>76</b>	<b>324,316</b>
Restated balance brought forward 31 August 2021	68,973	245,152	669	3,606	3,399	83	321,882

The restatement of opening balances relates to the restatement of PFI and this is detailed in the financial review. The reclassification of opening balances relates to a review of the Trust fixed asset register during the year, which gave rise to the re-categorisation of certain assets across categories. This has no impact on the NBV of assets.

## NOTES TO THE FINANCIAL STATEMENTS

During the year the Land and Buildings, Plant & Machinery and Furniture at the Co-op Academy New Islington was transferred to the Trust. The land and buildings were valued on transfer by a qualified valuer. Further details of transfers in can be found within note 30 to the financial statements.

### 13. Stock

Stock	Total 2022 £000	Total 2021 £000
Uniform stock	17	12

### 14. Debtors

Debtors	Total 2022 £000	Total 2021 £000
Trade debtors	263	872
Prepayments	1,771	1,305
Accrued income	2,207	1,868
VAT recoverable	1,771	2,034
Other debtors	3	2
Defined LGPS pension asset	5,532	-
Total debtors	11,547	6,081

### 15. Creditors: Amounts falling due within one year

Creditors falling due within one year	Total 2022 £000	Restated Total 2021 £000
Trade creditors	4,350	3,926
Other creditors	2,071	1,930
Amounts owed in respect of assets under PFI arrangements	5,240	5,095
Other taxation and social security	1,800	1,725
Accruals and deferred income	9,602	7,962
Total creditors falling due within one year	23,063	20,638

# NOTES TO THE FINANCIAL STATEMENTS

Deferred income	Total 2022 £000	Total 2021 £000
Deferred income at 1 September 2021	1,891	2,141
Resources deferred in the year	3,800	1,891
Amounts released from previous years	(1,891)	(2,141)
Deferred income at 31 August 2022	3,800	1,891

Deferred income at 31 August 2022 relates to amounts received before the year end, that relate to the next academic year. It includes rates income funded by the ESFA for the year to 31 March 2023 and SEN funding from Local Authorities paid in advance.

## 15a. Creditors: Amounts falling due greater than one year

Creditors falling due within greater than one year	Total 2022 £000	Restated Total 2021 £000
Amounts owed in respect of assets held under PFI arrangements	55,836	59,134

## 16. Financial Instruments

The carrying amount of the Company's financial instruments at 31st August were:	Total 2022 £000	Total 2021 £000
<b>Financial assets</b>		
Debt Instruments measured at amortised cost	2,473	2,742
<b>Financial liabilities</b>		
Measured at amortised costs	74,845	68,443

## 17. Centrally provided services

The Trust has provided the following central services to its Academies during the year: Education support, Human resources, Finance and Governance services.

The actual amounts charged during the year were calculated on 4.5% of GAG inc. (adjusted for pupil premium and capital PFI payments) basis and was as follows:	Total 2022 £000	Total 2021 £000
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## NOTES TO THE FINANCIAL STATEMENTS

Co-op Academy Leeds	288	219
Co-op Academy Priesthorpe	291	217
Co-op Academy Brownhill	281	71
Co-op Academy Woodlands	272	69
Co-op Academy Oakwood	93	69
Co-op Academy Nightingale	98	73
Co-op Academy Beckfield	41	30
Co-op Academy Parkland	53	38
Co-op Academy Delius	46	59
Co-op Academy Grange	432	315
Co-op Academy Southfield	147	117
Co-op Academy Smithies Moor	57	45
Co-op Academy Princeville	99	73
Co-op Academy Manchester	449	300
Co-op Academy North Manchester	579	234
Co-op Academy Failsworth	396	280
Co-op Academy Swinton	246	161
Co-op Academy Walkden	376	271
Co-op Academy Belle Vue	40	-
Co-op Academy Broadhurst	48	37
Co-op Academy New Islington	13	-
Connell Co-op College	111	82
Co-op Academy Bebington	324	231
Co-op Academy Portland	36	27
Co-op Academy Woodslee	48	35
Co-op Academy Friarswood	36	25
Co-op Academy Stoke	289	200
Co-op Academy Clarice Cliff	82	46
<b>Total amounts charged under central Trust recharge</b>	<b>5,271</b>	<b>3,324</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 18. Funds

Trust Funds as at 31 August 2022	Restated Balance at 1 September 2021 £000	Total Resources Received £000	Total Resources Expended £000	Gains, Losses, and Transfers £000	Balance at 31 August 2022 £000
<b>Restricted general funds</b>					
General annual grants (GAG)	9,232	103,876	(97,740)	(3,958)	<b>11,410</b>
GAG - PFI	-	5,018	(5,018)	-	-
LEA and other grants	-	12,264	(12,264)	-	-
Pupil premium	-	8,012	(8,012)	-	-
Covid-19 catch up premium	-	-	-	-	-
Other Covid-19 funding	-	-	-	-	-
Transfer in of Academies (excluding pensions)	2,879	351	-	-	<b>3,230</b>
<b>Sub-total</b>	<b>12,111</b>	<b>134,863</b>	<b>(128,376)</b>	<b>(3,958)</b>	<b>14,640</b>
<b>Pension reserves</b>	(73,783)	-	(11,168)	83,252	<b>(1,699)</b>
<b>Total restricted general funds</b>	<b>(61,672)</b>	<b>134,863</b>	<b>(139,544)</b>	<b>79,294</b>	<b>12,941</b>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	11,425	3,129	-	-	<b>14,554</b>
Local authority capital grants	21,232	318	-	-	<b>21,550</b>
Transfer in of Academies	91,281	8,251	(2,780)	-	<b>96,752</b>
Transfer in of Academies - PFI	43,485	-	(1,344)	-	<b>42,141</b>
Local authority transfer on conversion	54,675	-	(3,771)	-	<b>50,904</b>
Local authority transfer on conversion - PFI	94,543	-	(2,174)	-	<b>92,369</b>
PFI capitalisation reserve	(64,229)	-	-	3,153	<b>(61,076)</b>
Capital expenditure from GAG	5,242	-	-	805	<b>6,047</b>
<b>Total restricted fixed asset funds</b>	<b>257,654</b>	<b>11,698</b>	<b>(10,069)</b>	<b>3,958</b>	<b>263,241</b>
<b>Total restricted funds</b>	<b>195,982</b>	<b>146,561</b>	<b>(149,613)</b>	<b>83,252</b>	<b>276,182</b>
<b>Unrestricted funds</b>	3,702	3,919	(3,873)	-	<b>3,748</b>
Transfer in of Academies	560	-	-	-	<b>560</b>
<b>Total unrestricted funds</b>	<b>4,262</b>	<b>3,919</b>	<b>(3,873)</b>	<b>-</b>	<b>4,308</b>
<b>Total funds</b>	<b>200,244</b>	<b>150,480</b>	<b>(153,486)</b>	<b>83,252</b>	<b>280,490</b>



# NOTES TO THE FINANCIAL STATEMENTS

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

Trust Funds as at 31 August 2021	Restated Balance at 1 September 2020 £000	Total Resources Received £000	Total Resources Expended £000	Gains, Losses, and Transfers £000	Restated Balance at 31 August 2021 £000
<b>Restricted general funds</b>					
General annual grants (GAG)	5,684	95,493	(83,371)	(8,574)	<b>9,232</b>
GAG - PFI	-	4,989	(4,989)	-	-
LEA and other grants	-	18,512	(18,512)	-	-
Pupil premium	-	7,454	(7,454)	-	-
Covid-19 catch up premium	-	1,672	(1,672)	-	-
Other Covid-19 funding	-	248	(248)	-	-
Transfer in of Academies (excluding pensions)	2,495	384	-	-	<b>2,879</b>
<b>Sub-total</b>	<b>8,179</b>	<b>128,752</b>	<b>(116,246)</b>	<b>(8,574)</b>	<b>12,111</b>
<b>Pension reserves</b>	<b>(58,255)</b>	<b>(1,011)</b>	<b>(7,960)</b>	<b>(6,557)</b>	<b>(73,783)</b>
<b>Total restricted general funds</b>	<b>(50,076)</b>	<b>127,741</b>	<b>(124,206)</b>	<b>(15,131)</b>	<b>(61,672)</b>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	6,705	4,720	-	-	<b>11,425</b>
Local authority capital grants	18,969	2,263	-	-	<b>21,232</b>
Transfer in of Academies	93,915	-	(2,634)	-	<b>91,281</b>
Transfer in of Academies - PFI	44,733	-	(1,248)	-	<b>43,485</b>
Local authority transfer on conversion	52,240	5,159	(2,724)	-	<b>54,675</b>
Local authority transfer on conversion - PFI	96,954	-	(2,411)	-	<b>94,543</b>
PFI capitalisation reserve	(70,810)	-	-	6,581	<b>(64,229)</b>
Capital expenditure from GAG	3,249	-	-	1,993	<b>5,242</b>
<b>Total restricted fixed asset funds</b>	<b>245,955</b>	<b>12,142</b>	<b>(9,017)</b>	<b>8,574</b>	<b>257,654</b>
<b>Total restricted funds</b>	<b>195,879</b>	<b>139,883</b>	<b>(133,223)</b>	<b>(6,557)</b>	<b>195,982</b>
<b>Unrestricted funds</b>	<b>3,566</b>	<b>3,192</b>	<b>(3,056)</b>	<b>-</b>	<b>3,702</b>
Transfer in of Academies	560	-	-	-	<b>560</b>
<b>Total unrestricted funds</b>	<b>4,126</b>	<b>3,192</b>	<b>(3,056)</b>	<b>-</b>	<b>4,262</b>
<b>Total funds</b>	<b>200,005</b>	<b>143,075</b>	<b>(136,279)</b>	<b>(6,557)</b>	<b>200,244</b>

## NOTES TO THE FINANCIAL STATEMENTS

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

- Restricted general funds are used specifically to provide educational resources for the pupils of the Academies.
- Restricted fixed asset funds contain resources to be spent for particular capital purposes where conditions of the funding state that asset must be retained and on an ongoing basis. This includes the liability associated with the capital element of certain Academies with PFI agreements.
- Unrestricted funds are those other resources which may be used to further the objectives of the Academies; and
- There are no limits on the amount of GAG that could be carried forward at 31 August 2022 as outlined in the Academies trust handbook or otherwise as the Secretary of State may specify.

Analysis of fund balances by Academy	Total 2022 £000	Restated Total 2021 £000
Co-op Academy Leeds	1,081	946
Co-op Academy Priesthorpe	675	458
Co-op Academy Brownhill	1,017	1,335
Co-op Academy Woodlands	531	743
Co-op Academy Oakwood	509	461
Co-op Academy Nightingale	770	707
Co-op Academy Beckfield	178	179
Co-op Academy Parkland	20	33
Co-op Academy Delius	1,275	1,034
Co-op Academy Grange	1,968	1,689
Co-op Academy Southfield	1,019	1,140
Co-op Academy Smithies Moor	188	294
Co-op Academy Princeville	450	351
Co-op Academy Manchester	1,152	921
Co-op Academy North Manchester	389	638
Co-op Academy Failsworth	1,278	1,303
Co-op Academy Swinton	1	(250)
Co-op Academy Walkden	1,190	1,168
Co-op Academy Belle Vue	314	-

## NOTES TO THE FINANCIAL STATEMENTS

Co-op Academy Broadhurst	104	123
Co-op Academy New Islington	330	-
Connell Co-op College	-	-
Co-op Academy Bebington	1,243	606
Co-op Academy Portland	77	124
Co-op Academy Woodslee	128	190
Co-op Academy Friarswood	31	40
Co-op Academy Stoke	750	290
Co-op Academy Clarice Cliff	360	360
Central services	1,920	1,490
<b>Sub-total</b>	<b>18,948</b>	<b>16,373</b>
Restricted fixed asset fund	263,241	257,654
Pension reserve	(1,699)	(73,783)
<b>Total funds</b>	<b>280,490</b>	<b>200,244</b>

Analysis of cost by Academy (excluding depreciation) Incurred during the year	Teaching and educ Support Staff costs £000	Other support Costs £000	Education Supplies £000	Other costs (excl dep'n) £000	Total 2022 £000	Restated Total 2021 £000
Co-op Academy Leeds	4,966	753	519	1,289	7,527	7,296
Co-op Academy Priesthorpe	5,098	1,008	662	819	7,587	7,243
Co-op Academy Brownhill	2,001	346	211	329	2,887	2,635
Co-op Academy Woodlands	1,897	329	192	402	2,820	2,645
Co-op Academy Oakwood	1,888	375	134	425	2,822	2,669
Co-op Academy Nightingale	1,937	333	136	384	2,790	2,606
Co-op Academy Beckfield	883	256	66	175	1,380	1,293
Co-op Academy Parkland	1,148	273	53	257	1,731	1,689
Co-op Academy Delius	2,727	1,034	154	622	4,537	3,943
Co-op Academy Grange	7,226	1,661	997	2,171	12,055	11,212
Co-op Academy Southfield	5,927	1,415	328	750	8,420	7,557
Co-op Academy Smithies Moor	1,236	212	106	285	1,839	1,661

## NOTES TO THE FINANCIAL STATEMENTS

Co-op Academy Princeville	2,001	497	148	411	<b>3,057</b>	3,096
Co-op Academy Manchester	6,820	2,908	1,236	1,629	<b>12,593</b>	11,538
Co-op Academy North Manchester	5,971	1,933	929	1,044	<b>9,877</b>	8,537
Co-op Academy Failsworth	7,095	1,310	1,150	1,562	<b>11,117</b>	10,174
Co-op Academy Swinton	4,112	942	511	895	<b>6,460</b>	5,477
Co-op Academy Walkden	6,523	1,389	607	1,592	<b>10,111</b>	6,655
Co-op Academy Belle Vue	519	106	67	159	<b>851</b>	206
Co-op Academy Broadhurst	1,121	255	76	196	<b>1,648</b>	1,590
Co-op Academy New Islington	231	22	6	47	<b>306</b>	-
Connell Co-op College	2,081	509	385	494	<b>3,469</b>	3,492
Co-op Academy Bebington	5,315	854	676	724	<b>7,569</b>	7,002
Co-op Academy Portland	804	144	107	169	<b>1,224</b>	1,160
Co-op Academy Woodslee	1,066	293	131	189	<b>1,679</b>	1,630
Co-op Academy Friarswood	792	169	63	140	<b>1,164</b>	1,113
Co-op Academy Stoke	4,857	1,264	466	571	<b>7,158</b>	6,732
Co-op Academy Clarice Cliff	1,677	319	155	388	<b>2,539</b>	1,834
Central services	1,256	3,305	830	809	<b>6,200</b>	4,577
<b>Total Academy costs</b>	<b>89,175</b>	<b>24,214</b>	<b>11,101</b>	<b>18,927</b>	<b>143,417</b>	127,262

Depreciation of 10,069k (2021: £9,017k) has been excluded from the above figures.

# NOTES TO THE FINANCIAL STATEMENTS

## 19. Analysis of net assets between funds

<b>Fund balances at 31 August 2022 are represented by:</b>	Unrestricted General Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	<b>Total 2022 £000</b>	Restated Total 2021 £000
Tangible fixed assets	-	-	324,316	<b>324,316</b>	321,882
Current assets	4,308	37,996	-	<b>42,304</b>	31,917
Current liabilities	-	(17,823)	(5,240)	<b>(23,063)</b>	(20,638)
Liabilities greater 1 year	-	-	(55,836)	<b>(55,836)</b>	(59,134)
Pension scheme liability	-	(7,231)	-	<b>(7,231)</b>	(73,783)
<b>Total net assets</b>	<b>4,308</b>	<b>12,942</b>	<b>263,240</b>	<b>280,490</b>	200,244

<b>Fund balances at 31 August 2021 are represented by:</b>	Unrestricted General Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	<b>Restated Total 2021 £000</b>	Total 2020 £000
Tangible fixed assets	-	-	321,882	<b>321,882</b>	293,648
Current assets	4,262	27,655	-	<b>31,917</b>	26,857
Current liabilities	-	(15,544)	(5,094)	<b>(20,638)</b>	(18,880)
Liabilities greater 1 year	-	-	(59,134)	<b>(59,134)</b>	(55,824)
Pension scheme liability	-	(73,783)	-	<b>(73,783)</b>	(58,255)
<b>Total net assets</b>	<b>4,262</b>	<b>(61,672)</b>	<b>257,654</b>	<b>200,244</b>	187,546

## 20. Capital commitments

<b>Capital commitments as at 31 August 2022</b>	<b>Total 2022 £000</b>	Total 2021 £000
Contracted for, but not provided in the financial statements	<b>419</b>	416

# NOTES TO THE FINANCIAL STATEMENTS

## 21. Financial commitments

### (a) Operating leases

As at 31 August 2022 the total of the Trust's future minimum lease payments under non-cancellable operating leases relating to equipment was:

Equipment	Total 2022 £000	Total 2021 £000
Amounts due within one year	284	320
Amounts due within one to five years	159	422
Amounts due after five years	42	0
<b>Total operating lease commitments</b>	<b>485</b>	<b>742</b>

### (b) Asset commitments - maintenance

Land and Buildings	Total 2022 £000	Restated Total 2021 £000
Amounts due within one year	2,556	2,495
Amounts due within one to five years	10,787	10,630
Amounts due after five years	17,543	20,050
<b>Total asset lease commitments</b>	<b>30,886</b>	<b>33,175</b>

The above relates to commitments to operating payments made under the PFI arrangements including costs for catering, cleaning, utilities, and other ancillary services.

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

Co-op Academy	PFI Owned and Managed By	Unexpired term of PFI arrangements	PFI Expiry Date
Failsworth	Academies Services (Oldham) Limited	10 Years 28 Weeks	31 Jan 2033
Walkden	S&W TLP (Project Co One) Ltd	13 Years 50 Weeks	13 August 2036
Bebington	Wirral Schools Services Ltd	8 Years 48 Weeks	31 July 2031
Southfield / Grange	Integrated Bradford SPV Two Ltd	13 Years 27 Weeks	13 March 2036
Leeds	Owned by Carillion and operated by MITIE	10 Years 48 Weeks	31 July 2033

# NOTES TO THE FINANCIAL STATEMENTS

Oakwood	Education Support Company	7 Years 48 Weeks	31 July 2030
Clarice Cliff	Transforming Schools (Stoke) Ltd	3 Years 7 Weeks	25 Oct 2025

## (c) Asset commitments - finance leases

Land and Buildings	Total	Restated
Maturity of PFI debt associated PFI arrangements	2022	Total
	£000	2021
		£000
Amounts due within one year	5,240	5,095
Amounts due within one to five years	20,708	20,135
Amounts due after five years	35,128	38,999
<b>Total asset lease commitments</b>	<b>61,076</b>	<b>64,229</b>

The above relates to Co-op Academy Failsworth, Walkden, Bebington, Southfield Grange, Leeds and Oakwood.

## 22. Reconciliation of consolidated operating surplus to net cash inflow from operating activities

Reconciliation of operating surplus from operating activities	Total	Restated
	2022	Total
	£000	2021
		£000
Net income for the reporting period (as per the Statement of Financial Activities)	(3,006)	6,796
Depreciation (note 12)	10,069	9,017
PFI notional Interest (note 7)	2,978	1,374
(Profit)/loss on fixed Assets	72	45
Capital grants from DfE and other capital income	(3,447)	(6,983)
Investment Income (note 5)	(7)	(3)
FRS 102 Pension cost less contributions payable (note 28)	8,281	6,945
FRS 102 Pension finance cost (note 28)	2,884	1,015
(Increase)/Decreases in stocks	(5)	5
(Increase)/Decrease in debtors	66	(344)
Increase in creditors	2,280	102
Voluntary Income - transfer and conversions into the Trust (note 30)	(8,602)	(4,532)
<b>Net cash inflow from operating activities</b>	<b>11,563</b>	<b>13,437</b>



# NOTES TO THE FINANCIAL STATEMENTS

## 23. Cash flow from financing activities

Net cash flow from financing activities	Total 2022 £000	Restated Total 2021 £000
Interest received	7	3
Repayment of PFI finance liability	(6,131)	(6,735)
<b>Total net cash flow</b>	<b>(6,124)</b>	<b>(6,732)</b>

## 24. Cash flow from investing activities

Net cash flow from investing activities	Total 2022 £000	Total 2021 £000
Purchase of tangible fixed assets (note 12)	(4,324)	(9,350)
Cash transfer on conversion (note 30)	356	384
Capital grants from DfE/ESFA (including DFC)	3,447	6,983
<b>Total net cash flow from investing activities</b>	<b>(521)</b>	<b>(1,983)</b>

## 25. Analysis of movement in net debt

Changes in net debt	Restated Balance at 1 September 2021 £000	Cash flows 2022 £000	Acquisition / disposal of subsidiaries £000	New finance leases 2022 £000	Other non-cash Changes 2022 £000	Balance at 31 August 2022 £000
Cash	25,824	4,916	-	-	-	30,740
Cash equivalents	-	-	-	-	-	-
Overdraft facilities repayable on demand	-	-	-	-	-	-
	25,824	4,916	-	-	-	30,740
<b>PFI lease obligations</b>						
Falling due less than one year PFI Finance lease obligations	(5,095)	-	-	-	(145)	(5,240)
Falling due after one year PFI Finance lease obligations	(59,134)	-	-	-	3,298	(55,836)
<b>Net movement in PFI debt</b>	<b>(64,229)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,153</b>	<b>(61,076)</b>

# NOTES TO THE FINANCIAL STATEMENTS

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## 26. Contingent liabilities

There are no contingent liabilities of which the Directors or staff are aware as at 31 August 2022 which need to be reflected in the accounts.

## 27. 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.

## 28. Pension and similar obligations

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The projected contributions are determined by the Government Actuary based on quadrennial valuations using a projected unit credit method.

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 net income/(expenditure) 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.

### Teachers' pension scheme

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

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

# NOTES TO THE FINANCIAL STATEMENTS

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## Valuation of the teachers' pension scheme

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

- employer contribution rates set are 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218,100 billion value of notional assets (estimated future contributions together with the proceeds from notional investments held at the valuation date) of £196,100 billion, giving a notional past service deficit of £22,000 billion
- discount rate is 2.4% in excess of CPI as a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19).

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

The employer's pension costs paid to TPS in the period amounted to £11,108,234 (2021: £10,821,741).

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

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

## Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds (GMPF, WYPF, MPF and Staffordshire). The total contribution made for the year ended 31 August 2022 was £6,162,000 (2021: £4,744,907), of which employer's contributions totalled £4,593,000 (2021: £3,232,379) and employees' contributions totalled £1,569,000 (2021: £1,512,528). The agreed contribution rates for future years are between 13.7 and 25.2 per cent for employees depending on earnings.

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

The following information is based on a full actuarial valuation of the fund as at 31 March 2019 updated to 31 August 2022 by a qualified independent actuary. Liabilities have been estimated by independent qualified actuaries on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuaries in updating the latest valuation of the Employer's assets and liabilities are as follows:

# NOTES TO THE FINANCIAL STATEMENTS

Principal Financial Assumptions (% per Annum)	Total 2022 %	Total 2021 %
Discount Rate %	4.9	1.7
CPI Inflation %	2.8	2.9
Rate of increase to pensions in payment %	3.4	2.9
Rate of increase to deferred pensions %	2.6	2.6
Rate of a general increase in salaries %	4.4	3.6

As at 31 August 2022, a defined benefit plan asset has been recognised within the financial statements. The amount recognised as an asset has been restricted to the extent that the Trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This has been determined by recognising the lower of the defined benefit asset and the actuarial valuation of the future service cost over the expected life of the plan.

In determining the pension scheme asset/liability to be recorded in the financial statement, the actuaries have considered the impact of the current high rate of inflation.

- **Hymans Robertson** (in respect of Greater Manchester Pension Fund and Staffordshire Pension Fund) have built in a short term elevated CPI assumption of 9.9% in their calculations, with CPI inflation expected to reduce in the medium term.
- **Mercers** (in respect Merseyside Pension Scheme) have not built in a short term elevated CPI assumption. They have instead adopted the following treatment; due to the very high levels of current inflation, the impact of actual CPI since September 2021 (which will impact the April 2023 pension increase but is not reflected in the assumption) will be allowed for as an experience loss alongside the impact of the 2022 pensions increase in most cases.
- **AON** (in respect of West Yorkshire Pension Fund) have not built in a short term elevated CPI assumption but have reflected a marginally inflated CPI (increase of 0.10%).

## Accounting for the McCloud/ Sargeant Judgement

In December 2018 the Government lost a court of Appeal case (the McCloud/ Sargeant case) which found that transitional protection arrangements put in place when the firefighter' and judges' schemes were reformed were age discriminatory. The Government's appeal to the Supreme Court was denied in June 2019. In a Written Ministerial Statement on 15 July 2019 the Government committed to seeking a remedy across all public sector schemes.

LGPS actuaries have been instructed by employers to calculate an approximate approach for quantifying a constructive obligation for accounting purposes and this was incorporated into liabilities at 31 August 2020 and continues to be included as at 31 August 2022.

## Sensitivity Assumptions

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

## NOTES TO THE FINANCIAL STATEMENTS

Change in Assumptions at 31st August 2022	Approx Increase to ER Liability %	Approx Monetary Value £000
0.1% Decrease in real discount rate	2.0	4,031
0.1% Increase in the salary increase rate	4.0	2,742
0.1% Increase in the pension increase rate	2.0	3,935

### Mortality assumptions

The mortality assumptions, which are based on recent actual mortality experience of members within the four Funds, allow for expected future mortality improvements. The ranges for 2022 reflect the fact that the four LGPS schemes are administered separately.

Retirement Dates	At 31 August 2022 £000	At 31 August 2021 £000
<b><u>Retiring today</u></b>		
Male	20.3 - 22.4	20.5 - 22.6
Female	23.2 - 25.9	21.0 - 24.7
<b><u>Retiring in twenty years</u></b>		
Male	20.9 - 22.5	21.9 - 22.6
Female	24.0 - 25.5	22.6 - 25.8

### Expected return on assets

The approximate split of assets for the fund as a whole (based on data supplied by the four fund administering authorities) is shown in the table below:

Asset categories	Fair Value 31 August 2022 £000	Fair Value 31 August 2021 £000
Equities	72,818	69,726
Bonds	12,946	13,489
Property	6,974	5,403
Cash	5,671	4,356
Other	1,741	1,458
<b>Total Fair Value of Assets</b>	<b>100,150</b>	<b>94,432</b>

The actual return/ (deficit) on scheme assets was £538k (2021: £15,356k)

# NOTES TO THE FINANCIAL STATEMENTS

## Movements in the Present Value of Defined Benefit Obligations were as follows:

	Total 2022 £000	Total 2021 £000
<b>Valuation as at 1 September</b>	<b>168,215</b>	130,987
Current service cost	14,457	11,112
Interest cost	2,884	2,313
Employee contributions	1,569	1,466
Actuarial loss/ (gain) during the Year	(84,336)	20,615
Benefits paid	(1,565)	(768)
Past service cost	42	-
Net increase in liabilities from acquisitions	583	2,490
<b>Valuation as at 31 August</b>	<b>101,849</b>	168,215

## Movements in the Fair Value of Academy's Share of Scheme Assets:

	Total 2022 £000	Total 2021 £000
<b>Valuation as at 1 September</b>	<b>94,432</b>	72,732
Return on plan assets (excluding net interest on the net defined pension liability)	1,622	1,298
Actuarial gains/(losses)	(1,084)	14,058
Employers contributions	4,593	4,167
Employee contributions	1,569	1,466
Benefits paid	(1,565)	(768)
Net increase in assets from acquisitions	583	1,479
<b>Valuation as at 31 August</b>	<b>100,150</b>	94,432

# NOTES TO THE FINANCIAL STATEMENTS

## Total amounts recognised in the Statement of Financial Activities

Operating charges recognised in statement of financial activities (Sofa)	Total 2022 £000	Total 2021 £000
Current service cost	14,457	11,112
Net interest cost	1,262	1,015
Actuarial (losses)/ gains	83,252	(6,557)
<b>Total operating charges recognised</b>	<b>98,971</b>	<b>5,570</b>

## Total amounts recognised in the Balance Sheet

Amounts recognised in balance sheet	Total 2022 £000	Total 2021 £000
Debtors	5,532	-
Provisions	(7,231)	(73,783)
<b>Overall LGPS deficit</b>	<b>(1,699)</b>	<b>(73,783)</b>

Those employees of Co-op Academy's who transferred during the year (page 18) and who participated in the LGPS at the point of transfer were members of either the Greater Manchester Pensions Fund, Staffordshire Pension Fund, Merseyside Pension Fund or the West Yorkshire Fund.

## 29. Related party transactions

All transactions involving organisations in which the trustees may have an interest are conducted in accordance with the requirements of the Academies Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

The Directors' consider that The Co-op Group is a related party by virtue of significant influence and common Directors. The Trust received support during the period from The Co-op Group in respect of Governor services at a total cost of £nil (2020: £nil) and IT and related services at a total cost of £Nil (2021: £228,848). At the year-end, there was a balance owed to The Co-op Group of £113,901 (2021: £204,887).

Donations of £542,933 (2021: £110,949) shown in Note 2 and growth funding totalling £Nil (2021: £1,030,000) shown in Note 4 (included within Other Income) were received from The Co-op Group during the year.

In entering into transactions the Trust has complied with the requirements of the ESFA's Academies trust handbook 2021.



# NOTES TO THE FINANCIAL STATEMENTS

## 30. Conversion and Transfer to the Academy Trust

During the year the Trust received the transfer of the Co-op Academy New Islington on the 1 July 2022.

The assets and liabilities transferred on conversion from the Academy to the Trust have been valued at their fair value. Fair value is derived based on the cost of an equivalent item. For land and buildings, the buildings were transferred at their depreciated replacement cost as recorded in the relevant accounts as at the date of transfer. The fair value is in accordance with the accounting policies set out for The Trust.

The amounts have been recognised under the appropriate balance sheet categories with a corresponding amount recognised in donations and capital grants as net income in the statement of financial activities in the year of acquisition and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out below.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities. The consideration was £nil.

Surplus funds acquired	Unrestricted General Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds 2022 £000
<b>Academy conversions</b>				
Fixed assets	-	-	-	-
Cash balances	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Amounts owed in respect of assets under PFI arrangements	-	-	-	-
LGPS pension liability	-	-	-	-
<b>Total donations and capital grants</b>	-	-	-	-
<b>Academy transfers</b>				
Fixed assets	-	-	8,251	<b>8,251</b>
Cash balances	-	356	-	<b>356</b>
Current assets	-	81	-	<b>81</b>
Current liabilities	-	(86)	-	<b>(86)</b>
Amounts owed in respect of assets under PFI arrangements	-	-	-	-
LGPS pension liability	-	-	-	-
<b>Total donations and capital grants</b>	-	<b>351</b>	<b>8,251</b>	<b>8,602</b>

## NOTES TO THE FINANCIAL STATEMENTS

Total Trust donations and capital grants	-	351	8,251	8,602
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Since transfer the Co-op Academy New Islington has had income of £333k and expenditure of £316k (excluding depreciation).

### 31. Post balance sheet events

At its meeting in July 2021, the Trust Board gave approval for the commencement of the due diligence process for the acquisitions of Glebe Academy. The due diligence process has been completed and Glebe successfully joined the Trust on the 1 October 2022 (see page 26).

### 32. Agency arrangements

The academy Trust distribute 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy Trust received £136,703 (2021: £121,556) and disbursed £95,102 (2021: £76,527) from the fund. An amount of £154,384 (2021: £100,082) is included in other creditors relating to undistributed funds that is repayable to ESFA.

Co-op Academy Grange distributes funds relating to the South Behaviour and Attendance Collaboration. In the accounting period ending 31 August 2022 Co-op Academy Grange received funds of £255,113 (2021: £231,669) and distributed funds of £117,964 (2021: £134,124). The undistributed fund of £796,092 (2021: £658,944) is held in other creditors.

### 33. Trust Restatement of Annual Report and Financial Statements for year ending 31 August 2022

Following a review by management, new information has been obtained and management have confirmed a 125 lease to be in existence for both Leeds and Oakwood (as opposed to a 25 year lease as previously understood), meaning the risks and rewards of ownership rest with the Trust. Therefore the correct treatment for the above two PFI's should have been to include both assets and PFI liabilities in the Trust's financial statements, in the same way as the Trust has with other PFI's post 2016. Consequently this constitutes a prior period adjustment and the comparative financial statements have been amended.

# NOTES TO THE FINANCIAL STATEMENTS

## Restatement Summary

### SOFA

For the year ended 31 August 2022  
(including income and expenditure  
account)

Original Reported 2021 £000	Restated Total 2021 £000	Restated Value 2021 £000	Narrative
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### Income and Endowments from:

Donations and Capital Grants	7,178	7,178	-
Academy transfer from local authority	4,532	4,532	-
Transfer from existing academy	-	-	-

### Charitable activities

Funding for the trust's educational operations	129,081	129,081	-
Other trading activities	2,281	2,281	-
Investments	3	3	-

<b>Total incoming resources</b>	<b>143,075</b>	<b>143,075</b>	<b>-</b>
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### Expenditure on Charitable activities:

<b>Total resources expended (educational operations)</b>	136,794	136,279	515	Net reduction in PFI Costs
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<b>Net income/ expenditure</b>	<b>6,281</b>	<b>6,796</b>	<b>515</b>
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Transfers between funds	-	-	-
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Other recognised (losses)/gains

Remeasurement of net defined benefit obligations	(6,557)	(6,557)	-
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<b>Net movement in funds</b>	<b>(276)</b>	<b>239</b>	<b>515</b>
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### Reconciliation of funds

Total funds brought forward	187,546	200,005	12,459	Net Recognition of PFI Reserve
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<b>Total funds carried forward</b>	<b>187,270</b>	<b>200,244</b>	<b>12,974</b>
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# NOTES TO THE FINANCIAL STATEMENTS

Restatement Summary Balance Sheet for year ended 31 August 2022	Original Reported 2021 £000	Restated Total 2021 £000	Restated Value 2021 £000	Narrative
<b>Fixed assets</b>				
Tangible assets	299,470	321,882	22,412	Recognition of PFI Assets
<b>Current assets</b>				
Stock	12	12	-	
Debtors	6,081	6,081	-	
Cash and cash equivalents	25,824	25,824	-	
<b>Total current assets</b>	<b>31,917</b>	<b>31,917</b>	<b>-</b>	
<b>Liabilities</b>				
<b>Creditors:</b> amounts falling due within one year	(19,779)	(20,638)	(859)	Net PFI Liabilities
<b>Net current assets</b>	<b>12,138</b>	<b>11,279</b>	<b>(859)</b>	
<b>Total assets less current liabilities</b>	<b>311,608</b>	<b>333,161</b>	<b>21,553</b>	
<b>Creditors:</b> amounts falling due greater one year	(50,555)	(59,134)	(8,579)	Net PFI Liabilities
Defined benefit pension scheme liability	(73,783)	(73,783)	-	
<b>Net assets</b>	<b>187,270</b>	<b>200,244</b>	<b>12,974</b>	
<b>Restricted Funds</b>				
Fixed asset fund	244,680	257,654	12,974	Net Recognition of PFI Reserve
General fund	12,111	12,111	-	
Pension reserve	(73,783)	(73,783)	-	
<b>Total restricted fund</b>	<b>183,008</b>	<b>195,982</b>	<b>12,974</b>	
<b>Unrestricted fund</b>	<b>4262</b>	<b>4,262</b>	<b>-</b>	
<b>Total funds</b>	<b>187,270</b>	<b>200,244</b>	<b>12,974</b>	