

**Company Registration No. 08149829 (England and Wales)**

**EAST MIDLANDS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

# EAST MIDLANDS ACADEMY TRUST

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# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

<b>Trustees</b>	K Crompton (Chair of Trustees) A Salam S Morales A Davis F Wheeler D Houghton (Resigned 20.07.2022) L Jones M Conlon (Appointed 20.07.2022) N Bell (Appointed 20.07.2022) A Morjaria (Resigned 02-09-2021) B Weiss (Resigned 02-09-2021)
<b>Members</b>	K Crompton J Harris F Wheeler (Resigned 20.09.2021) B Langfield (Appointed 20.09.2021) D Houghton (Appointed 20.07.2022)

### Senior Management Team

<i>Chief Executive Officer &amp; Accounting Officer</i>	J Coleman
<i>Chief Operating Officer and Chief Financial Officer</i>	P Wheeler

**Company registration number** 08149829 (England and Wales)

**Registered office** Pyramus House  
Grange Park  
Northampton  
NN4 5EA

**Head Teacher**  
*Callum Brown*  
*Ruth Ryan*  
*Zoe McIntyre*

*Daniel Lugg*  
*Julie Stevens*  
*Luci Clapton*

*Elizabeth Dormor*  
*Joanne Trevena*

**Location**  
Milton Keynes  
Milton Keynes  
Northampton

Northampton  
Northampton  
Northampton

Oundle  
Northampton

### **Academies operated**

*Orchard Academy*  
*Shepherdswell Academy*  
*Executive Head Teacher for Castle, Stimpson Avenue and Hardingstone Academies*  
*Head of School – Castle Academy*  
*Head of School - Hardingstone Academy*  
*Head of School – Stimpson Avenue Academy*  
*Prince William School*  
*Northampton International Academy*

**Independent auditor** Mazars LLP  
6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

**Bankers** Lloyds Bank Plc  
Fenlands House  
Vicarage Farm Road  
Peterborough  
PE1 5UH

# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

### Solicitors

Stone King LLP  
Boundary House  
91 Charterhouse Street  
London EC1M 6HR

Winckworth Sherwood  
Minerva House  
5 Montague Close  
London SE1 9BB

The Trustees of East Midlands Academy Trust ('The Trust') present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022.

The annual report serves the purpose of a trustees' report and directors' report under company law.

The Trust supports five primaries, one secondary and one all-through school across the East Midlands. Its academies have a combined pupil capacity of 4,810 and a roll of 4,848 as of 21<sup>st</sup> July 2022.

### OBJECTIVES AND ACTIVITIES

The Trust was incorporated on 19<sup>th</sup> July 2012 as a Trust and a company limited by guarantee, with the purpose of establishing, maintaining, managing, and developing academies and free schools as world class centres of excellence. The Trust has completed 10 years of operations and 4 years under its current name since separating from its former sponsor in July 2018 to become a stand-alone multi academy trust.

The Trust continues to develop closer collaboration between schools, sharing of resources and innovation to ensure best practice is developed throughout our school communities. The support provided to our family of schools includes Financial Management, Information Communications Technology (ICT), Human Resources (HR) together with Estates Management, Procurement, Governance and Marketing ensures effective use of resources throughout the community. The Executive Leadership team on which all head teachers are members, helps develop our pedagogy and curriculum offering across the school community.

### Primary Academies

In 2021-22, the Trust supported five primary schools: Orchard and Shepherdswell in Milton Keynes and Hardingstone, Castle and Stimpson Avenue in the centre of Northampton. When they joined the Trust, all three Northampton academies had been judged by Ofsted as 'requiring improvement or special measures'. All primary schools are now judged to be 'good' with the exception of Stimpson Avenue. Castle Academy was re-inspected by Ofsted in February 2022 and retained its Good judgement.

### Secondary Academy

Prince William School in Oundle, Northamptonshire, is a secondary school with a sixth form, which joined the Trust in 2015. A refurbished maths hub was opened in the year with further refurbishment including a new theatre which was opened by the Duke of Gloucester in June 2022, and sports facilities planned as part of the development and funding agreement in place with Northamptonshire County Council (now North Northants Unitary authority) at the time of conversion. The work has commenced on a £6.1 million development to improve facilities across the site and build a new sports hall. The school was inspected by Ofsted in February 2020 and was judged as Good. This was a significant achievement for the school and all the staff involved, as the school had been categorised as requires improvement over the preceding 10 years.

### All Through Academy

In 2016 the Trust opened a new all through (4-19) free school, Northampton International Academy, in the centre of Northampton. The school will be full in all year groups in September 2022 with over 2,000 pupils across the school. This is a major milestone for the development of the school over the past 7 years.

In February 2022 the school received a section 8 Ofsted inspection that was subsequently converted to a section 5 inspection. The school was graded inadequate at this inspection. The trust has taken swift action to improve the school. It has strengthened the leadership team with an experienced executive leader. A

# **EAST MIDLANDS ACADEMY TRUST**

## **TRUSTEES' REPORT**

review of behaviour management practices and policies has been carried out by Tom Bennett the government behaviour czar who found the behaviours to be good.

### **Main Activities 2021-2022**

In the year 2021-2022, the Trust educated 4,841 pupils (4,606 in 2020-21) and provided support for over 599 members of staff in the academies.

The Coronavirus pandemic continued to impact on our schools during the year and in particular during the autumn and spring term. In September 2021 the government withdrew the guidance on using “bubbles” to manage the spread of infection and during the autumn term with most pupils in school we assessed the needs of each child and identified any gaps in knowledge. A programme of activities and additional support was put in place to meet the needs of the students. For all interventions, impact assessments were put in place to enable staff to measure the impact of the interventions and adjust programmes as required. The trust recognises that the impact of covid on our students and staff will be felt for several years. We have adapted our programmes to ensure each child receives the tailored support they need.

The schools returned to full external exams in 2021-22 and the results are set out in this report.

### **Centralised support**

The trust provides a comprehensive support to the schools to enable the school to concentrate on the teaching and learning for all students. The trust supports our schools with school improvement, Finance, Human Resources, Payroll, Communications, Policy and Governance support, Project management and Marketing. This approach ensures that this multi-disciplinary team consistently supports each of the academies but has the capacity to either increase or reduce the level of support provided depending on the circumstances at the time.

The Information Communications Technology and Estates functions are also centralised. The benefit of this centralisation is to provide resilience across the service provision where staff are able to support schools when required, and to allow for the better deployment of resources. The centralisation of these services has enabled the trust to respond effectively to the Coronavirus pandemic and deploy equipment promptly to support learners, and to ensure schools are safe to open for staff and students. The cost savings generated from having one supplier base across schools has enabled the trust to invest in improvements to the school environment and improve the conditions for learners.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

East Midlands Academy Trust was incorporated on 19 July 2012 as a company limited by guarantee and an exempt charity, with the purpose of establishing, maintaining, managing, and developing academies and free schools as world class centres of excellence. In line with its Articles of Association, the Trust is governed by Members who are the owners of the Trust. Trustees are the directors of the Trust under company law and are supported by the executive under the direction of the Chief Executive Officer.

### **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. An amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

### **Trustees' indemnities**

In line with normal commercial practice, the Trust holds unlimited insurance for its Trustees for their work on any single claim.

### **Method of recruitment and appointment or election of Trustees**

When new Trustees are recruited, the Board approves an appropriate process and criteria for recruitment based on a review of skills and capability. The articles allow for a maximum of twelve Trustees to be appointed by the members with no limit on the minimum number of trustees. The Trust works with several external organisations to identify additional trustees.

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

Trustees are briefed regularly on educational and other Trust matters by the Senior Management Team, through briefings at Board meetings, Group meetings, other sessions, visits to the academies and individual meetings. When new Trustees join the Board, tailored induction training is arranged to provide them with a comprehensive understanding of the Trust and the wider context, the Trust's mission, vision, ethos and values, the operation network, and their governance responsibilities.

### **Organisational structure**

The Trustees set general policy, approve the Strategic Plan and budget, monitor performance against the plan and budget, and take major decisions about the Trust, growth of academies and the appointment of the Chief Executive

The Board has established three committees to support it in carrying out its functions, which are:

- Standards & Performance committee;
- Finance, Human Resources & Estates committee;
- Audit & Risk committee.

The Board delegates specific functions to Local Advisory Bodies (LABs) as set out in our scheme of delegation. Each LAB reviews academy level policies, academy improvement plans and performance data. Recommendations can then be forwarded to the Board. The LABs carry out roles in monitoring school performance and overseeing community and parent liaison. A chairs forum connects the chairs of each of the LAB's to the chair of trustees to ensure a flow of communication between the board and the LAB. The Trustees delegate day to day responsibility to the Senior Management Team led by the Chief Executive Officer.

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

East Midlands Academy Trust is committed to the recruitment, retention, and development of an effective workforce, who contribute to its success and growth. The Trust is committed to ensuring that members of staff, who excel in their role, should be recognised, and rewarded. The Trust, therefore, recognise that the use of a range of incentives is an important strategy for motivating staff, highlighting best practice, and creating a culture of exceptional achievement. Every year the trust holds a celebration and recognition awards event where staff, governors and pupils are nominated and rewarded for their achievements throughout the year.

The pay of all employees is benchmarked against an evaluation framework with a pay grading and banding structure to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles nationally.

Trustees review annually the pay of the senior executives. They take into account the pay for executives in trusts with similar characteristics and the DfE guidance on executive pay.

Trustees give their time freely and are not paid for their roles on the Board other than reimbursement for out-of-pocket expenses in line with our policy.

### **Arrangements for managing Conflicts of Interest**

The Trust maintains a register of pecuniary interests for Members, Trustees, Local Advisory Board Governors, and Senior Executive Staff. Any transactions where a conflict may arise or a perceived conflict of interest may arise, these are declared and the person with the conflicting interest will play no part in any decision making.

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### Trade Union Facility Time

The Trust does not have a formal trade union recognition agreement however it actively engages with a number of unions and operate an informal consultation process for staff to be represented by Unions and staff consultation committee. The aim is to speed up decision making and improve communication to employees at a local level whilst providing Union support on pay and important conditions.

The Trust has an obligation to report the number of employees who were relevant union officials, the time spent on union activity and the cost of the facility time under statutory instrument 2017 328 (The Trade Union Facility Time Publication Requirement's Regulations 2017).

<b>Number of Employees who were relevant Union Officials During the period</b>	<b>Full Time Equivalent Employee Number</b>
4	2

### Percentage of Time Spent on Facility Time

<b>Percentage of time - %</b>	<b>Number of Employees</b>
0 – 1%	4
1-50%	0
51-99%	0
100%	0

### Percentage of pay bill spent on Facility Time

Total Cost of Facility Time	£2,474
Total Pay bill	£19,806,655
The percentage of the total pay bill spent on facility time	0.012%

### Paid Trade Union Activities

Time spent on paid trade union activities as a percentage of total paid facility time 1.625%.

The trust supports union activity by facilitating national and regional union officials with meetings by making staff available and providing accommodation for the meetings. The trust is in the process of agreeing a new Trade Union Recognition Agreement based on a local agreement and will record the time staff spend on union and staff consultancy committee activities.

### Engagement with Employees

As part of our ongoing employee engagement strategy, we operate an Employee Forum which meets at least once a term. The forum is made up from a member of teaching or support staff from each school and is an open forum to discuss initiatives and employee concerns, and to inform representatives of matters of concern to employees. This allows the employees views to be considered when decisions are being made which may affect them.

In addition to the Employee Forum the trust issues regular communications to staff through the monthly staff newsletter and through engagement with recognised trade union bodies

### Engagement with Suppliers

EMAT has a policy of working with preferred suppliers and establishing frameworks within which to support our schools with procurement. We also use the national frameworks to ensure value for money. The trust holds regular meetings with key suppliers to review contract performance and keep suppliers informed on the changing activities of the trust

### Related parties and co-operation with other organisations

There are no related parties involved in the Trust.

### Public benefit

The Trustees have referred to the Charity Commission guidance on public benefit when reviewing the Trust's objectives and aims whilst planning future activities and consider that the Trust's aims are demonstrably for the public benefit. We support our communities through the provision of an inclusive, high-quality education and support parents and children from all backgrounds including those where English is an additional language. The trust are supporting the wider education community through providing specialist knowledge

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## TRUSTEES' REPORT

and experience to other academy trusts in the areas of school improvement, finance, human resources and estate management and intend to develop further education partnerships in the coming years.

### STRATEGIC REPORT

#### Achievements and performance

Pupils in East Midlands Academy Trust academies have continued to make good progress during the year. The strategy of providing school to school support, as well as appointing outstanding head teachers to work as 'Academy Improvement Partners' for each academy has been highly effective. This ensures a robust system of challenge and support is in place.

#### Financial review

During the year ended 31 August 2022, East Midlands Academy Trust had a total income of £29,884K and expenditure of £32,438K, after exceptional pension costs of £1,917K.

Most of the income came from the Department for Education (DfE) or local authorities as recurrent grants for particular purposes. These grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust reported an overall surplus on general fund activity for the year ended 31 August 2022 of £253K (2020/21: £414K) after transfers but before pension fund administration costs of £1,917K. The trust budgeted a surplus of £297K in 2021-22. The trust operates a GaG pooling model for managing its financial affairs. The schools' resources were budgeted using Integrated Curriculum Financial Planning (ICFP), to determine the staffing required to effectively teach the enriched curriculum. This is subject to recognised national key performance indicators to deliver a first-class education. The schools receive their ring-fenced funding which includes Pupil Premium and SEND funding, and the trust allocated a school grant to top up the income to match the resources required. The aim is for the schools to break even on their budget allocation. The cost for centralised estates and information communications technology were met from a similar grant known as the central grant. The contingencies and contributions to reserves are held in the Head Office.

The Trust reserves as at 31<sup>st</sup> August 2022 were £1,889K (excluding fixed assets and pension reserves). The trust has set a target of 1 month's expenditure to hold as a prudent reserve. This equates to a reserve balance of £2,370K. The trust has budgeted to achieve a surplus over the next 2 years of the plan to bring the reserves in line with the policy. The trust has budgeted a £235K surplus for 2022-23.

In addition to the reserves, the trust has a policy for cash balances held to be equivalent to at least one month's payroll. This equates to £1.94 million. The trust free cash balance at the 31<sup>st</sup> August 2022 was £5 million. The trust are holding capital receipts of £5.6 million to fund projects in progress at the year end.

Further development of the estate at Prince William is underway with completion of a new car park and the letting of a construction contract for the new sports hall facilities. This will be a low carbon building providing outstanding sport and dance facilities for the school at a cost of £7.5 million. The trust has continued with the replacement of old furniture that has been in place since the 1980's to provide a modern learning environment for the pupils. The trust has completed the investment in replacing the lighting with LED lighting to reduce the energy use of the school.

Investment in the NIA has continued through 2021-22. Capital works of £200K have allowed for the reconfiguration of the Art and DT space which did not facilitate the curriculum. The trust has invested a further £250K in enhancing the leadership support to the school and on interventions to improve behaviours and safeguarding. There has been a complete review of the curriculum and new materials have been purchased to support the delivery of the enriched curriculum.

The trust has enhanced its provision for higher needs students with a refurbished facility opening for Milton Keynes at Orchard Academy, and for two new Units at Castle and Hardingstone academies for children with Autism spectrum disorder. These new units will open in 2022-23.

#### Going concern

After making appropriate enquires, the Board of Trustees has an expectation that East Midlands Academy Trust has adequate resources to continue in operational existence for the foreseeable future. This is based on the current level of reserves held of £1,889K to cover any unforeseen future expenditure. The Trust has budgeted a year-on-year surplus for the next three years of £230K for 2022-23 rising to £249K in 2024-25. The cash position remains stable at £6.5 million over this period. For this reason, the Trust continues to adopt



# EAST MIDLANDS ACADEMY TRUST

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the going concern basis in preparing its financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **Promoting the Success of the Charity to achieve its charitable objectives**

East Midlands Academy Trust has a strong ethos of social responsibility ensuring that each child has the opportunity through education to improve their circumstances. The trustees have instilled in the organisation a fully inclusive education, and through the strategic plan aim to support all children from all backgrounds in its growth plans. The trust aims to operate in addition to mainstream schools, alternative provision, special schools, and further education to support our communities.

The trust selects trusted business partners who demonstrate they can supply goods and services at economic prices, and who share our belief in supporting our students and communities. We employ high achieving staff to offer the best pedagogy to our students and support staff with extensive CPD programmes and peer to peer support. The trust has developed a network of specialists including Academy Improvement Partners (AIPs) to provide critical challenge and process improvement ensuring we continue to offer life opportunities for our students. By developing our staff and working with like-minded suppliers we are setting the platform to achieve the long-term success of our charitable objectives.

### **Financial and risk management objectives and policies**

East Midlands Academy Trust holds cash balances and other working capital balances. The Trust manages its cash resources, including maintaining sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Other risks that the Trust is exposed to include funding decreases or pay awards to teachers and support staff that are not fully funded. These are pressures faced by all academy trusts and are mitigated through prudent budgeting.

A further risk could be a significant drop in pupil numbers. Each academy is aware of the consequence of a falling roll and the local context and is proactive in marketing for new pupils and retaining existing pupils. Additional risk mitigation has included opening nursery provisions and SEND provisions to broaden the income streams and possibly attract families that have multiple needs for their children.

### **Reserves policy**

The Trust has a reserves policy which describes the need for sufficient consolidated reserves to enable the Trust to grow in line with its Strategic Plan by ensuring there are sufficient reserves to fund that growth and combat the inevitable financial risks associated therewith, whilst avoiding the accumulation of excessive reserves from resources which should be used to improve the life chances of the pupils within the Trust's academies.

The trust board has set a policy that for the three-year financial plan 2021-22 the trust should hold revenue reserves equivalent of one month's expenditure and cash equivalent of one-month pay. This would equate to £2.4 million for reserves and £1.8 million for cash. The financial plans for the next three years include provision to build reserves to this level. This will allow the trust to absorb cash flow peaks and troughs and give resilience to withstand unforeseen expenditure.

The position as at 31<sup>st</sup> August 2022 is a net revenue reserve of £1,889K and cash reserve of £4,952K. The trust operate a system of GaG pooling. Therefore, all reserves will be reported under the consolidated trust position. Note 16 to the accounts shows the reserves as at 31<sup>st</sup> August 2022.

At the end of 2021-22 the Trust's total reserves are £83,528K comprising restricted reserves of £83,251K, of which £84,216K relates to the restricted fixed asset fund, a pension fund deficit of £2,577K relates to the pension reserve, £1,889K relates to unspent GAG and unrestricted reserves of £277K which meets the planned reserves as set by the policy.

The pension fund deficit whilst not having an immediate impact on cash flows and expenditure do so over the long term in the form of increased employers' contributions over several years. At the tri annual LGPS pension fund valuation which took place in 2019-20, employers pension fund contributions reduced in some schools and increased in others reflecting the relative health of those pension pots.

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### Investment policy

The Treasury Policy includes the policy on investment. Consolidated cash reserves are invested through appropriate use of financial instruments with the Trust's principal bankers, so any income can be achieved with minimal risk.

### KEY PERFORMANCE INDICATORS

The main financial key performance indicator for 2020-21 was for the Trust to achieve a surplus of £288K on GAG and unrestricted activity. The outturn was a surplus of £414K This was a significant achievement for the trust given the uncertainties surrounding coronavirus with a loss in income from lettings and additional costs of cleaning.

### Early Years

At the time of writing there are no national comparators for this year.

The percentage of pupils reaching a good level of development is highest at Castle (73%) followed by Hardingstone (76%), NIA (58%), Shepherdswell (58%) and Stimpson (54%).

### Phonics

At the time of writing there are no national comparators for this year.

The proportion of pupils passing the Year 1 phonics check is highest at Hardingstone (89%) followed by Castle (78%), Shepherdswell (74%), NIA (66%) and Stimpson Avenue (60%)

At the end of Year 2, the proportion of pupils across the Trust passing the phonics check was highest at Hardingstone (90%) followed by Shepherdswell (89%), Castle (88%), NIA (81%) and Simpson (73%).

### Key Stage 1

At the time of writing there are no national comparators for this year.

The Trust average for pupils reaching the expected standard in 2022 is as follows, reading 62%, writing 53%, maths 63%.

In reading, results are highest at Hardingstone, and Shepherdswell (65%) followed by Castle (63%), NIA (62%) and Stimpson Avenue (58%).

In writing, results are highest at Hardingstone, and Shepherdswell (61%) followed by Castle (52%), NIA (48%) and Stimpson Avenue (47%).

In maths, results are highest at Hardingstone (71%) followed by NIA (70%), Shepherdswell (65%), Castle (62%) and Stimpson Avenue (56%).

### Key Stage 2 – Attainment

The Trust average for pupils reaching the expected standard in 2022 is as follows, reading 67% (national 74%), writing 52% (national 69%), and maths 63% (71%).

In reading, results are highest at Hardingstone (74%) followed by Castle (72%), Orchard (66%) and Stimpson Avenue (58%).

In writing, results are highest at Hardingstone (72%) followed by Stimpson Avenue (62%), Castle (47%) and Orchard (44%).

In maths, results are highest at Hardingstone (79%) followed by Castle (65%), Stimpson (62%) and Orchard (56%).

### Key Stage 2 – Progress

Progress scores in reading are highest at Castle (1.4) followed by Stimpson Avenue (-0.6), Hardingstone (-1.2) and Orchard (-3.4).

In writing, progress is highest at Stimpson (1.1) followed by Hardingstone (0.5), Castle (-1.7) and Orchard (-4.7).

In maths, progress is highest at Castle (1.1) followed by Stimpson Avenue (0.7), Hardingstone (0.3) and Orchard (-3.4)

Progress scores are not significantly different from the national average apart from at Orchard (all subjects) and writing at Castle.

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### GCSE & Post 16

At Prince William School, Attainment 8 was 50.7 and 76% of pupils achieved both English and maths at grade 4 or above (above the national of 71%). Students attaining both English and Maths at grade 5 (53%) is also above the national (52%).

At Northampton International Academy, Attainment 8 was 39.3 and 53% pupils achieved both English and maths at grade 4 or above. The proportion of students attaining both English and maths at grade 5 was 31%.

At A level, 80% of Prince William School pupils achieved grades A\* to C, 98% achieved an A\* to E grade and the overall average grade achieved was a B-. At Northampton International Academy, 48% of pupils achieved grades A\* to C, 95% achieved grades A\* to E and the average grade was a C-.

### Fundraising

The trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees through the Finance and Human Resources committee.

### Streamlined Energy and Carbon Reporting

<b>UK Greenhouse gas emissions and energy use data for the period 1 August 2021 to 31<sup>st</sup> July 2022</b>	<b>2021-22</b>	<b>2020-21</b>
Energy Consumption used to calculate emissions (kWh)	5,986,917	5,736,107
Energy Consumption break down (kWh)		
Gas	3,581,893	3,541,077
Electricity	2,358,590	2,125,286
Transport Fuel	46,433	69,7450
Scope 1 – Emissions in metric tonnes CO <sub>2</sub> e		
Gas Consumption	649.1	648.6
Owned Transport	8.1	8.1
<b>Total Scope 1</b>	<b>657.2</b>	<b>656.7</b>
Scope 2 – Emissions in metric tonnes CO <sub>2</sub> e		
Purchased Electricity	451.0	451.3
Scope 3 – Emissions in metric tonnes CO <sub>2</sub> e		
Business travel in employee-owned vehicles	7.3	9.1
<b>Total Scope 3</b>		
<b>Total Gross Emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1115</b>	<b>1117</b>
Intensity Ratio Tonnes CO <sub>2</sub> e per pupil (4834 pupils as at June 2022)	0.23	0.24

### Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG reporting protocol – Corporate standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

### Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub> per pupil, the recommended ratio for the sector.

### Measures taken to improve energy efficiency

The amount of energy consumed in 2021-22 decreased over the previous year due to the measures taken including a programme of LED lighting replacement however COVID control measures remained in place that prevented further reduction in energy usage.

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At NIA the air handling systems had to be configured to take 100% fresh air into the system from outside and heat it. The energy saving measures would normally recycle 35% of air and retain the heat from that air. This caused extra consumption of gas. In the other school's consumption was higher as windows were open for ventilation whilst needing to provide comfort heating. These virus control measures will continue into 2022-23 and are expected to adversely affect the energy consumption until we are able to operate normally.

The trust is undertaking a phased review of its energy consumption with a view to reducing the carbon footprint. Studies have been commissioned at all academies to report on measures that can be taken to improve energy efficiency across the Trust. Over the next 3 years each site will be reviewed, and a programme will be put in place to reduce emissions. In addition, the trust will be investing in electric charge points for staff to support them in moving to electric vehicles. The new capital developments have a design brief to reduce energy consumption.

### Plans for future periods

The East Midlands Academy Trust has an ambition and capacity to take advantage of growth opportunities. We wish to maximise the benefit of our established and proven systems and philosophy of an inclusive education for all children. EMAT aims to be able to support 10,000 students by 2025.

The trust has provided support and expertise to other academy trusts and has built capacity to further support the education community in the areas we operate.

Expertise in SEND support and alternative provision, school improvement, finance, human resources, and estate management are being provided together with governance to ensure we are able to operate a fully inclusive education to all students in the areas we operate and aim to support the wider education community with access to our specialist support.

### Principal risks and uncertainties

All major risks to which the Trust is exposed are contained in a risk register that is reviewed by the Audit and Risk Committee and the Board. These risks are owned by the Senior Management Team or Headteachers with policies, systems, and procedures in place to manage these risks. Each academy has its own risk register, owned by the Headteacher and their senior leaders, and these are reviewed by the LABs. The Trust, and its individual academies have business continuity plans which are updated regularly.

Trustees have assessed the major risks and uncertainties to which the Trust is exposed. The main risks and mitigation are considered to be:

<b>Risk</b>	<b>Risk Mitigation</b>
The long-term effect of Covid-19 on our students and staff.	Specific measures have been put in place to support students with academic interventions and improve access to remote learning opportunities over the long term to ensure students are not disadvantaged from the school closures. Enhanced mental health support is provided to students to combat long term covid effects. Staff wellbeing is monitored, and staff are supported through the trust wellbeing programmes.
Funding and liabilities	The trust operates a pooling of resources and a purchasing strategy designed to maximise the economies of scale we benefit from. The use of monthly financial scrutiny of each school and the centre together with clear financial procedures allows for control of the financial performance. Maintain sufficient reserves to cover any potential unfunded liabilities.
Educational performance and results	Ongoing monitoring of the delivery and progress being made, and interventions implemented as required. Regular monitoring of school performance and effectiveness to highlight and address any areas of poor performance.

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## TRUSTEES' REPORT

Reputational risks	Ensure ongoing assessment of problems/threats with appropriate action being undertaken centrally to avoid and mitigate.
Governance and compliance (statutory and legal)	Continually recruiting, training Governors/Board Members and the appointment of a Head of Governance to ensure compliance.
Capital and maintenance	Assessment of condition of estate and medium to long term planning for improvement
Recruitment and retention	Effective and positive Marketing programme to recruit students to the academies. A Workforce Planning and Talent Officer to aid the recruitment and retention of staff across all academies.

### EMPLOYEE CONSULTATION AND DISABLED EMPLOYEES

The Trust is an equal opportunities employer and actively works to address unconscious/conscious bias to ensure discrimination of any kind is eradicated from its recruitment and employment processes.

The Trust encourages the involvement of its employees through regular staff meetings that have responsibility for the dissemination of information of particular concern to employees, and through staff surveys and staff committees for receiving their views.

### AUDITOR

MAZARS LLP is the appointed auditor to the charitable company during the year.

### Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 16<sup>th</sup> December 2022 and signed on its behalf by:

  
Kevin Crompton (Dec 16, 2022 12:46 GMT)

K Crompton  
**Chair of Trustees**

# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

### Scope of responsibility

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

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

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

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The trustees discharge their responsibilities through meeting as a whole board, and via the committees where much of the work of the trust is scrutinised on behalf of the board. Overall Governance is achieved in collaboration with these other committees. Examples of the additional meetings Trustees attend are Finance and Human Resources Committee, Standard and Performance Committee and Audit and Risk Committee.

The Coronavirus pandemic continued to have an impact in our governance arrangements during the year and in particular during the autumn and spring term. The trustees had moved to meeting using MS teams during the lockdown and continue to use this platform afterwards, allowing subsequent meetings to be held as hybrid meetings with trustees meeting in person and via teams to ensure quorum. The same arrangements were put in place for our local advisory board meetings. This arrangement has proven very successful and will continue into the foreseeable future.

The Members formally met on 20<sup>th</sup> September 2021 to conduct their Annual General Meeting for 2019/2020 and on 20<sup>th</sup> July.2022 to conduct their AGM for 2020/2021. To finalise the separation between the layers of governance, new members were appointed during these meetings and a member with dual role stepped down to serve only as a trustee.

Attendance to the meetings was as follow:

<b>Members</b>	<b>Meetings attended</b>	<b>Out of possible</b>
K Crompton (Chair)	2	2
J Harris	2	2
F Wheeler	1	1
B Langfield	2	2
D Houghton	1	1

The Board of Trustees has formally met five times during the 2021/2022 Two new trustees were appointed during the last meeting of the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
K Crompton (Chair of Trustees)	5	5
A Salam	5	5
S Morales	4	5
A Davis	3	5
F Wheeler	5	5
L Jones	4	5
D Houghton	4	5
Martin Conlon	0	1
Nick Bell	1	1

# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

The Finance, Human Resources and Estates group is a committee of the main Board of Trustees, and its role is to support the Board by overseeing financial, Human Resources and Estates activity of the Trust along with other controls and risk management, in the context of planned growth. The Group exists to ensure probity and efficiency in the management and expenditure of the Trust's income from the DfE, in compliance with the Education & Skills Funding Agency's Academies Financial Handbook. The Group is chaired by Andy Davis. Attendance at meetings in the year 2021/2022 was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
A Davis (Chair of committee)	7	7
S Morales	5	7
K Crompton	6	7
A Salam	5	7

The Audit and Risk Group is a committee of the main Board of Trustees, tasked with setting the Trust's risk appetite and ensuring that controls are in place to manage and mitigate risk within this. e. To retain independence, the membership of the group has two trustees who are not members of the Finance and Human Resources Group. The group was chaired by Ayo Salam. Trustee attendance at the meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
A Salam (Chair of Committee)	3	3
A Davis	3	3
F Wheeler	3	3
D Houghton	3	3

The Standards and Performance group is a committee of the main Board of Trustees. The committee manages the standards and performance of the schools in relation to pupil outcomes, well-being, exclusions, and inclusion and receives school performance data collated by the School Effectiveness and Improvement team. The committee is chaired by Leigh Jones. Trustee attendance at the meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
L Jones (Chair of Committee)	5	5
Ayo Salam	3	5
F Wheeler	5	5
David Houghton	5	5

### **Governance reviews**

The trust conducted an External Review of Governance during May 2022 which concluded that governance was effective and robust and that trustees were efficient in holding executive leaders to account. As part of the ERG a skills audit for the trust board and each of the local advisory boards was carried out. This has resulted in governance improvement plans being developed for each board. The Chairs Forum has continued to meet during the year to align governance across all layers. The Forum meets 3 times a year and is chaired by the Chair of the Trust. All schools are represented by the Chair and/or Vice-Chair of each LAB.

The trust recruited additional members and trustees during 2021-22 to strengthen the Board further and provide greater separation between members and trustees. Recruitment is ongoing across all layers of governance with an emphasis in diversity around local recruitment to truly reflect the communities we serve.

### **Review of value for money**

East Midlands Academy Trust's vision is that every child deserves to be the best they can be, and any wastefulness or inefficiency will hinder the fulfilment of this vision. It is our aim to achieve the best quality and value for money to enhance the life chances of the children in our academies.

As the Trust matures and grows it is better able to benefit from economies of scale, shared resources and effective procurement, all of which contribute towards excellent value for money. The trust centralised its

# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

estates and information communications technology functions into one shared service centre. We have been creating better value for money by consolidating suppliers and putting in place common systems across the trust to reduce the cost of supporting the education for students. The procurement manager has completed a complete spend categorisation and is targeting the highest areas of spend to ensure we achieve best value for money. Over the next 18 months the trust will be reprocurring its energy, cleaning and catering contracts through framework agreements and specialist contractors

The trust has a programme of training and mentoring for staff to help this talent develop into middle and executive leaders of the future for the trust.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in East Midlands Academy Trust for the year 1<sup>st</sup> September 2021 to 31<sup>st</sup> August 2022 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the 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 managing the Trust's significant risks that has been in place for the period 1<sup>st</sup> September 2021 to 31<sup>st</sup> 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 Finance, HR and Estates committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.
- Appointment of independent internal auditors to review and monitor the control environment.

The Board of Trustees discharges its duties through the Audit and Risk Committee for the appointment and review of internal audit work providing the internal scrutiny of the Trust's financial controls. During 2021-22 MacIntyre Hudson were appointed to act as internal auditors for the Trust. A programme of work was agreed with trustees following an assessment of the principal risks facing the trust and in line with priorities set out by trustees and the Chair of Audit and Risk Committee.

This work was completed in the spring and summer terms. The reports were issued to the Audit and Risk Committee in April and July 2022. The areas of review during the year included:

- Cyber Security;
- Fixed Assets;
- Safeguarding



# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

The auditors made a number of recommendations that have been adopted by the trust.

A review of VAT is scheduled to be completed in 2022-23.

### Review of effectiveness

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control.

During the year in question, the review has been informed by:

- the work of the internal scrutiny function
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor
- correspondence from ESFA for example FNtl/Ntl and 'minded to' letters.

The Accounting Officer has advised of the implications of the result of the review of the system of internal control by the Audit and Risk Committee, and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 16 December 2022 and signed on its behalf by:

  
kevin crompton (Dec 16, 2022 12:46 GMT)

K Crompton  
**Chair of Trustees**

  
Joshua Coleman (Dec 16, 2022 12:24 GMT)

J Coleman  
**Accounting Officer**

## **EAST MIDLANDS ACADEMY TRUST**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of East Midlands Academy Trust, I have considered my responsibility to notify the Trust Board of Trustees and the Education and 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 Academy Trust Handbook 2021.

I confirm that I and the Trust's Board of Trustees 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 Academy Trust Handbook 2021.

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

  
Joshua Coleman (Dec 16, 2022 12:24 GMT)

J Coleman  
**Accounting Officer**

Date: 16 December 2022

# EAST MIDLANDS ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of East Midlands Academy Trust for the purposes of company law, are responsible for preparing the Trustees' Report (including the strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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


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

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

Approved by order of the members of the Board of Trustees on 16<sup>th</sup> December 2022 and signed on its behalf by:

  
kevin crompton (Dec 16, 2022 12:46 GMT)

K Crompton  
**Chair of Trustees**

  
Joshua Coleman (Dec 16, 2022 12:24 GMT)

J Coleman  
**Accounting Officer**

# EAST MIDLANDS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST

### Opinion

We have audited the financial statements of East Midlands Academy Trust ("the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

### In our opinion, the financial statements:

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

### 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

# EAST MIDLANDS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST

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

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

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

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

### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 19, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Academy Trust and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

## EAST MIDLANDS ACADEMY TRUST

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected, or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

#### Use of the audit report

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



David Hoose (Dec 16, 2022 13:43 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

Date: Dec 16, 2022

# EAST MIDLANDS ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO EAST MIDLANDS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 29 October 2022, and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by East Midlands Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### Respective responsibilities of East Midlands Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of East Midlands Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed, and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

### Conclusion

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

  
Mazars LLP (Dec 16, 2022 13:44 GMT)

Mazars LLP  
Chartered Accountants and Statutory Auditor  
Mazars LLP  
6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP  
Date Dec 16, 2022

# EAST MIDLANDS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENTURE ACCOUNT

YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset £000	Total 2021/22 £000	Total 2020/21 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	22	-	1,025	1,047	53,252
<b>Charitable activities:</b>						
- Funding for the academy trust's educational operations	4	30	28,212	-	28,242	26,598
Other trading activities	5	80	514	-	594	215
Investments	6	1	-	-	1	1
<b>Total</b>		133	28,726	1,025	29,884	80,066
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
-Allocated Support Costs	7	42	337	-	379	226
<b>Charitable activities:</b>						
- Educational operations	7	41	29,689	2,329	32,059	28,655
<b>Total</b>	7	83	30,026	2,329	32,438	28,881
<b>Net (Expenditure) / Income</b>		50	(1,300)	(1,304)	(2,554)	51,185
Transfers between funds		-	(415)	415	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	10,946	-	10,946	(1,800)
Net movement in funds		50	9,231	(889)	8,392	49,385
<b>Reconciliation of funds</b>						
Total funds brought forward		226	(10,196)	85,105	75,135	25,751
Total funds carried forward		276	(965)	84,216	83,527	75,135



## BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2021/22		2020/21	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	12		78,594		78,570
<b>Long-term assets</b>					
Debtors: amounts falling due after more than one year	13	3,257		5,033	
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	2,909		1,980	
Cash at bank and in hand	21	4,952		4,793	
		<u>7,861</u>		<u>6,773</u>	
		11,118		11,806	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(3,607)		(3,635)	
<b>Net current assets</b>			7,511		8,171
<b>Total assets less current liabilities</b>			86,105		86,741
Defined benefit pension scheme liability	23		(2,577)		(11,606)
<b>Net assets</b>			83,528		75,135
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>	16				
- Restricted fixed asset funds			84,216		85,105
- Restricted income funds			1,612		1,410
- Pension reserve			(2,577)		(11,606)
<b>Total restricted funds</b>			83,251		74,909
<b>Unrestricted income funds</b>	16		276		226
<b>Total funds</b>			83,527		75,135

The financial statements on pages 23-47 were approved by the Board of Trustees and authorised for issue on 16<sup>th</sup> December 2022 and are signed on their behalf by:

*Kevin Crompton*  
 kevin.crompton (Dec 16, 2022 12:46 GMT)

K Crompton  
 Chair of Trustees

**EAST MIDLANDS ACADEMY TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	<b>18</b>	1,733	1,390
<b>Cash flows from investing activities</b>	<b>20</b>	(1,574)	(1,149)
<b>Net cash used in financing activities</b>	<b>19</b>	(0)	(0)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		159	241
		<hr/>	<hr/>
<b>Cash and cash equivalents at 1 Sept 2021</b>		4,793	2,589
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 August 2022</b>	<b>21</b>	4,952	2,831
		<hr/> <hr/>	<hr/> <hr/>

# EAST MIDLANDS ACADEMY TRUST

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 1. Accounting policies

##### General information

East Midlands Academy Trust is a charitable company. The address of its principal place of business is given on page 3 and the nature of its operations are set out in the Trustees' Report. A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

##### Basis of preparation

The financial statements of the 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 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 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 thousand, except where otherwise indicated.

##### Going concern

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

##### Income

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

##### Grants

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

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

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

##### Sponsorship income

Sponsorship 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 there are no performance-related conditions), where the receipt is probable, and it can be measured reliably.

##### Donations

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

##### Other income

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

# EAST MIDLANDS ACADEMY TRUST

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

#### Donated goods, facilities, and services

The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's policies.

Goods and services procured from connected parties are included at the price paid, and such transactions are undertaken 'at cost' in line with the provisions of the Academies Financial Handbook.

#### **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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Charitable activities

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

#### **Tangible fixed assets and depreciation**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities.

Depreciation is provided on all tangible fixed assets (including donated fixed assets), so as to write off the cost of assets less their residual values over their useful lives on the following bases:

L/Term Leasehold Property	2% straight line
Office equipment	33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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

#### **Liabilities**

Liabilities are recognised when there is an obligation at the 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 advanced payments for the goods or services it must provide.

# EAST MIDLANDS ACADEMY TRUST

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

#### **Leased assets**

Rentals payable under operating leases are charged to expenditure on a straight-line basis over the period of the lease.

#### **Financial instruments**

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

#### Financial assets and liabilities

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs) unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset 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.

#### **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 chapter 3 part 11 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.

#### **Pension benefits**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 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. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are 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 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 reporting date. The amounts charged to net income 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 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

# EAST MIDLANDS ACADEMY TRUST

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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

#### **Fund accounting**

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

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

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

#### **2. Critical accounting estimates and areas of judgement**

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

#### Critical accounting estimates and assumptions

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

Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

The Trustees consider there to be an area of judgement which is critical to the Trust's financial statements. Castle Academy is a PFI school. The PFI contract payments are included in the accounts as an operating lease payment and this accounting treatment has been adopted as the Trust do not retain any right to use the building after the lease expires. For this the reason we do not include it in Fixed Assets.

#### **3. Donations and capital grants**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2021/22 £000</b>	<b>Total 2020/21 £000</b>
Donated fixed assets	-	-	-	46,400
Capital grants	-	1,025	1,025	6,806
Other donations	22	-	-	46
	<hr/>	<hr/>	<hr/>	<hr/>
	22	1,025	1,025	53,252

The income from donations, donated fixed assets and capital grants was £1,025k (2020/21: £53,252k) of which £22k was unrestricted (2020/21: £46K), £0k was restricted general (2020/21: £0k) and £1,025k was restricted fixed assets (2020/21: £53,206k).

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**4. Funding for the Trust's educational operations**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2021/22 £000</b>	<b>Total 2020/21 £000</b>
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	24,519	24,519	22,025
Start-up grants	-	100	100	215
Pupil Premium	-	1,223	1,223	1,144
Teachers Pay Grant	-	106	106	285
Teachers Pensions Grant	-	-	-	806
Other DfE / ESFA grants	-	1,297	1,297	662
	-	27,245	27,245	25,137
<b>Other government grants</b>				
Local authority grants	-	967	967	877
Other incoming resources	30	-	30	20
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch up premium	-	-	-	225
Other DfE/ESFA COVID-19 funding	-	-	-	246
<b>COVID-19 additional funding (non DfE/ESFA)</b>				
Other Coronavirus Funding	-	-	-	93
	-	-	-	564
	30	28,212	28,242	26,598

The income from funding for educational operations was £28,242k (2020/21: £26,598k) of which £30k was unrestricted (2020/21: £20k), £28,212k was restricted general (2020/21: £26,578k) and £nil was restricted fixed assets (2020/21: £nil).

**5. Other trading activities**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2021/22 £000</b>	<b>Total 2020/21 £000</b>
Hire of facilities	28	-	28	17
Catering Income	-	-	-	-
Income from other activities	52	515	567	198
	80	515	595	215

The income from other trading activities was £595k (2020/21: £215k) of which £80k was unrestricted (2020/21: £17k), £515k was restricted general (2020/21: £173k) and £nil was restricted fixed assets (2020/21: £nil).

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**6. Investment income**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2021/22 £000</b>	<b>Total 2020/21 £000</b>
Short term deposits	1	-	1	1

The income from funding for investment income was £1k (2020/21: £1k) of which £1k was unrestricted (2020/21: £1k), £nil was restricted general (2020/21: £nil) and £nil was restricted fixed assets (2020/21: £nil).

**7. Expenditure**

	<b>Unrestricted funds £000</b>	<b>Restricted General Funds £000</b>	<b>Restricted Fixed Asset Funds £000</b>	<b>Total 2021/22 £000</b>	<b>Total 2020/21 £000</b>
<b>Expenditure on raising funds</b>	42	337	-	379	225
Allocated support costs					
Other trading costs	-	-	-	-	0
	<u>42</u>	<u>377</u>	<u>0</u>	<u>419</u>	<u>225</u>
<b>Academy's educational operations</b>	-	20,133	2,329	22,462	20,795
Direct costs					
Allocated support costs	41	9,556	-	9,556	7,860
Total costs	<u>-</u>	<u>29,689</u>	<u>2,329</u>	<u>32,018</u>	<u>28,655</u>
	<u>83</u>	<u>30,066</u>	<u>2,329</u>	<u>32,437</u>	<u>28,881</u>

	<b>2021/22 £000</b>	<b>2020/21 £000</b>
<b>Net income/expenditure for the period includes:</b>		
Operating lease rentals	56	54
Depreciation of tangible fixed assets	2,329	2,298
Net interest on defined benefit pension liability	200	151
Fees payable to Mazars LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	20	20
- Other services	1	1



**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**8. Charitable activities**

	<b>Staff Costs</b>	<b>Premises</b>	<b>Other</b>	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>2021/22</b>	<b>2020/21</b>
				<b>£000</b>	<b>£000</b>
<b>Expenditure on raising funds</b>					
Allocated support costs	42	0	377	419	226
	42	0	377	419	226
<b>Academy's educational operations:</b>					
Direct costs	18,020	2,329	2,113	22,462	20,795
Allocated support costs	5,376	2,574	1,606	9,556	7,860
	23,396	2,574	6,048	32,018	28,655
	23,438	2,574	6,425	32,437	28,881

The expenditure on educational operations was £32,018 (2020/21: £28,655k) of which £23,396k was staff costs (2020/21: £21,057k), £2,574k was premises related (2020/21: £2,296k) and £6,048k was related to other costs (2020/21: £5,302k). Expenditure on raising funds amounted to £419k (2020/21: £226k), £42k (2020/21: £54k) relates to staff costs and £377k (2020/21: £172k) to other costs.

**Analysis of support costs**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>
Support staff costs	5,376	4,203
Depreciation	-	-
Technology costs	361	212
Premises costs	2,574	2,296
Legal costs - other	57	56
Other support costs	1,157	1,057
Governance costs	31	37
	9,311	7,860

**9. Staff**

**Staff costs**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>
Staff costs during the year were:		
Wages and salaries	15,323	14,564
Social security costs	1,482	1,404
Operating costs of defined benefit pension schemes	5,332	4,371
	22,137	20,339
Supply staff costs	1,156	663
Staff restructuring costs	22	9
Staff development and other staff costs	123	100
	23,438	21,111
Staff restructuring cost comprises:		
Redundancy payments	7	0
Severance Payments	16	9

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Non statutory/non-contractual staff severance payments**

	<b>2021/22</b> <b>£000</b>	<b>2020/21</b> <b>£000</b>
Redundancy payments	7	0
Severance payments	16	0
	<hr/> 23	<hr/> 9

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

	<b>2021/22</b> <b>Number</b>	<b>2020/21</b> <b>Number</b>
£0-£25,000	1	2
	<hr/> 1	<hr/> 2

**Special Staff Severance Payments:**

Included in staff restructuring costs are non-contractual special severance payments totalling £10,000 (2021: £9k). Individually, the payments were: £10,000.

**Staff numbers**

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

	<b>2021/22</b> <b>Number</b>	<b>2020/21</b> <b>Number</b>
Teachers	247	250
Administration and support	322	254
Management	30	27
	<hr/> 599	<hr/> 531

**Higher paid staff**

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

	<b>2021/22</b> <b>Number</b>	<b>2020/21</b> <b>Number</b>
£60,001 - £70,000	3	5
£70,001 - £80,000	7	5
£80,001 - £90,000	3	2
£90,001 - £100,000	2	1
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	0
£140,001 - £150,000	1	1
	<hr/> 19	<hr/> 16

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**9. Staff (Continued)**

**Key management personnel**

The key management personnel of the Trust comprise the Trustees, Heads of Schools and the Senior Management Team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £1,147k (2019/20: £1,042k).

**10. Trustees' remuneration and expenses**

None of the Trustees have been paid remuneration or have received other benefits from an employment with the Trust. The Heads of School and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Heads of School and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

No Trustee received remunerations £nil in 2021/22 (2021/22: £0).

During the year ended 31 August 2022 expenses totalling £1k (2020/21: £0) were reimbursed to two trustees (2020/21: zero) for travel relating to their role as trustees.

**11. Trustees' and officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2022 was included within the costs of the Risk Protection Arrangement.

**12. Tangible fixed assets**

	<b>L/Term Leasehold Property £000</b>	<b>Freehold Property £000</b>	<b>Office Equipment £000</b>	<b>Fixtures and Fittings £000</b>	<b>Motor Vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>						
At 1 September 2021	78,342	3,462	2,535	1,952	16	86,307
Additions	773	-	408	1,150	22	2,353
At 31 August 2022	79,115	3,462	2,943	3,102	38	88,660
<b>Depreciation</b>						
At 1 September 2021	4,333	390	1,863	1,138	14	7,738
Charge for the year	1,567	69	380	309	4	2,329
At 31 August 2022	5,900	459	2,243	1,447	18	10,067
<b>Net book value</b>						
At 31 August 2021	74,010	3,072	672	814	2	78,570
At 31 August 2022	<b>73,215</b>	<b>3,003</b>	<b>700</b>	<b>1,655</b>	<b>20</b>	<b>78,593</b>

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**13. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	10	8
VAT recoverable	1,184	621
Prepayments and accrued income	4,960	6,367
Other Debtors	13	17
	<hr/>	<hr/>
	6,167	7,013
	<hr/> <hr/>	<hr/> <hr/>

**14. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	1,526	1,492
Other taxation and social security	384	359
Abatement of GAG	406	350
Other creditors	575	496
Accruals and deferred income (see note 15)	715	938
	<hr/>	<hr/>
	3,607	3,635
	<hr/> <hr/>	<hr/> <hr/>

**15. Deferred income**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Deferred income is included within:		
Creditors due within one year	303	473
	<hr/>	<hr/>
Deferred income as at 1 September 2021	473	223
Released from previous years	(473)	(223)
Amounts deferred in the year	303	473
	<hr/>	<hr/>
<b>Deferred income at 31 August 2022</b>	<b>303</b>	<b>473</b>
	<hr/> <hr/>	<hr/> <hr/>

Deferred Income was £303k, (2020/21: £473k) of which £133k was Universal Infant Free school meals (UIFSM) and £170k was other deferred income.

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**16. Funds**

	Balance at 1 September 2021	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2022
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant	1,410	24,519	(23,902)	(415)	1,612
Start-up grants	-	100	(100)	-	-
Pupil Premium	-	1,223	(1,223)	-	-
Teachers Pay & Pensions Grant	-	106	(106)	-	-
Other DfE / ESFA grants	-	1,296	(1,296)	-	-
Other government grants	-	967	(967)	-	-
Other Restricted funds	-	515	(515)	-	-
Pension reserve	(11,606)	-	(1,917)	10,946	(2,577)
	(10,196)	28,726	(30,026)	10,531	(965)
<b>Restricted fixed asset funds</b>					
Fixed asset funds	55,627	246	(693)	415	55,595
Building valuation	29,478	779	(1,636)	-	28,621
	85,105	1,025	(2,329)	415	84,216
<b>Total restricted funds</b>	<b>74,909</b>	<b>29,751</b>	<b>(32,355)</b>	<b>10,946</b>	<b>83,252</b>
<b>Unrestricted funds</b>					
General funds	226	134	(83)	-	277
<b>Total funds</b>	<b>75,135</b>	<b>29,885</b>	<b>(32,438)</b>	<b>10,946</b>	<b>83,528</b>

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

- Unrestricted funds - represents funds available for the Trustees to apply for the general purposes of the Trust.
- General Annual Grant (GAG) - represents funding from the ESFA to be used for the normal running costs of the schools, including education and support costs.
- Other Government Grants - represents various grants from local and national government bodies for the provision of specific services to pupils of the Academy Trust.
- Other Restricted funds - represents various funding received for other specific purposes.
- Start Up Grants - represents funding to be used specifically for costs incurred during the conversion process.
- Pension Reserve - represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy Trust on conversion from state control.
- Restricted Fixed Asset funds - comprises fixed assets funded by government grants and other funding bodies.
- Other DfE/ESFA grants - represents other funding from the DfE/ESFA to support specific activities within the Academy Trust.
- Transfer from Revenue to Capital-represents GAG Funds used for capital expenditure.

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

**EAST MIDLANDS ACADEMY TRUST**  
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**16. Funds (Continued)**

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

Funds	Balance at 1 September 2020	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2021
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant	1,018	22,025	(20,618)	(1,014)	1,410
Start-up grants	-	215	(215)	-	-
Pupil Premium	-	1,144	(1,144)	-	-
Teachers Pay Grant	-	806	(806)	-	-
Teachers' Pension Grant	-	285	(285)	-	-
Other government grants	-	1,539	(1,539)	-	-
Other Restricted funds	-	173	(173)	-	-
Catch up premium	-	225	(225)	-	-
Other DfE/ESFA COVID-19 funding	-	246	(246)	-	-
COVID-19 additional funding (non DfE/ESFA)	-	93	(93)	-	-
Pension reserve	(8,657)	-	(1,800)	(1,152)	(11,606)
	(7,637)	26,751	(27,144)	(2,166)	(10,196)
<b>Restricted fixed asset funds</b>					
Fixed asset funds	2,770	52,525	(682)	1,014	55,627
Building valuation	30,413	681	(1,616)	-	29,478
	33,183	53,206	(2,298)	1,014	85,105
<b>Total restricted funds</b>	25,546	79,957	(29,442)	(1,152)	74,909
<b>Unrestricted funds</b>					
General funds	205	109	(88)	-	226
<b>Total funds</b>	25,751	80,066	(29,530)	(1,152)	75,135

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
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**16. Funds (Continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	<b>Total 2022 £000</b>	<b>Total 2022 £000</b>
Orchard Academy	169	169
Shepherdswell Academy	15	15
Castle Academy	555	555
Hardingstone Academy	66	66
Stimpson Avenue Academy	44	44
Prince William School	221	221
Northampton International Academy	95	95
Central services	724	471
Total before fixed assets fund and pension reserve	1,889	1,636
Restricted fixed asset fund	84,216	85,105
Pension reserve	(2,577)	(11,606)
Total funds	83,528	75,135

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs £'000</b>	<b>Other support staff costs £'000</b>	<b>Educational supplies £'000</b>	<b>Other costs excluding depreciation £'000</b>	<b>Depreciation £'000</b>	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
Orchard Academy	1,398	143	38	343	-	1,922	1,884
Shepherdswell Academy	681	102	28	186	-	997	1,012
Castle Academy	1,511	160	37	558	-	2,266	2,300
Hardingstone Academy	780	81	22	263	-	1,146	1,092
Stimpson Avenue Academy	1,286	161	33	287	-	1,767	1,834
Prince William School	4,524	260	60	1,112	-	5,956	5,676
Northampton International Academy	7,633	720	215	2,523	-	11,091	9,140
Central services	(21)	3,248	10	921	2,329	6,487	5,148
Site & IT	212	538	1	55	-	806	795
	18,004	5,413	444	6,248	2,329	32,438	28,881

**EAST MIDLANDS ACADEMY TRUST**  
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**Analysis of net assets between funds**

	<b>Unrestricted Funds</b>	<b>Restricted General Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total Funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	78,594	78,594
Current assets	277	5,220	5,621	11,118
Creditors falling due within one year	-	(3,607)	-	(3,607)
Defined benefit pension scheme liability	-	(2,577)	-	(2,577)
<b>Total net assets</b>	<b>277</b>	<b>(964)</b>	<b>84,215</b>	<b>83,528</b>

	<b>Unrestricted Funds</b>	<b>Restricted General Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total Funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	78,570	78,570
Current assets	226	5,045	6,535	11,806
Creditors falling due within one year	-	(3,635)	-	(3,635)
Defined benefit pension scheme liability	-	(11,606)	-	(11,606)
<b>Total net assets</b>	<b>226</b>	<b>(10,196)</b>	<b>85,105</b>	<b>75,135</b>



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**17. Commitments under operating leases**

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due within one year	35	47
Amounts due between one and five years	45	70
	<hr/>	<hr/>
	80	117
	<hr/> <hr/>	<hr/> <hr/>

One of the Trust's academies, Castle Primary School, is also part of a Private Finance Initiative (PFI) arrangement for the use of its site. Under this agreement the academy is committed to a charge of £292k per annum. The charge is subject to indexation each year.

**Capital commitments at the year end**

At year end Capital commitments amounted to £5.2mil this would be attributed to a new Sports Hall development at Prince William and £62k for the completion of the ASD Unit at Hardingstone.

**18. Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£'000</b>	<b>£'000</b>
Net income for the reporting period (as per the Statement of Financial Activities)	(2,553)	51,184
<b>Adjusted for:</b>		
Capital grants from DfE/ESFA and other capital income	(1,025)	(6,806)
Interest receivable	(1)	(1)
Transfer on Conversion	-	(46,400)
Defined benefit pension scheme cost less contributions payable	1,550	881
Defined benefit pension scheme finance cost	367	271
Defined benefit pension scheme net settlement cost	-	-
Depreciation of tangible fixed assets	2,329	2,298
Profit on disposal of fixed assets	-	-
Decrease in debtors	1,093	(55)
Increase/(decrease) in creditors	(27)	1,463
	<hr/>	<hr/>
<b>Net cash provided by / (used in) Operating Activities</b>	1,733	2,835
	<hr/> <hr/>	<hr/> <hr/>

**EAST MIDLANDS ACADEMY TRUST**  
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**19. Cash Flows from Financing Activities**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Repayment of borrowing	-	-
Finance cost	-	-
<b>Carrying amount of financial liabilities</b>	<b>-</b>	<b>-</b>

**20. Cash Flows from investing activities**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Dividends, interest and rents from investments	1	1
Capital Grants from DfE Group	779	1,011
Purchase of tangible fixed assets	(2,353)	(1,885)
Capital funding received from sponsors & others	-	-
<b>Net cash provided by / (used) in investing activities</b>	<b>(1,575)</b>	<b>(873)</b>

**21. Analysis of cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Cash in hand and at bank	4,952	4,793
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>4,952</b>	<b>4,793</b>

**22. 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member

**23. Pension and similar obligations**

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

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

Contributions amounting to £537k (20120: £375k) were payable to the schemes at 31 August 2022 and are included within creditors.

**EAST MIDLANDS ACADEMY TRUST**  
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**Teachers' Pension Scheme**

**INTRODUCTION**

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 academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

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

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £2,325k (2021: £2,104k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#). Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22% for employers and variable % for employees.

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

<b>Total contributions made</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	1,105	833
Employees' contributions	306	233
	<hr/>	
Total contributions	1,411	1,066
	<hr/>	

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**24.Principal actuarial assumptions**

	<b>2022</b> %	<b>2021</b> %
	<b>Northants/Bucks</b>	<b>Northants/Bucks</b>
Rate of increases in salaries	3.6/3.9	3.4/3.9
Rate of increase for pensions in payment/inflation	3.1/2.9	2.9/2.9
Discount rate for scheme liabilities	4.25/4.25	1.65/1.7
Inflation assumption (CPI)	3.1/2.9	2.9/2.9

Pension Increase Orders are used to set the level of pension increases with effect from 1 April of each year, with reference to the change in CPI inflation over the 12 months to the previous September, which was announced in October. This was 10.1% and was considerably higher than the CPI assumption set by employers as at 31 August 2022.

Although Pension Increase Orders have always been set with reference to the September CPI for the last 10 years and the September RPI for the preceding 20 years, they are not automatically set and they are only known with absolute certainty when the Pension Increase Order is enacted by Parliament, which is usually in April of the following year.

Similarly, the likely level of the forthcoming Pension Increase Order 2023 was not known at 31 August. Consequently, no adjustment has been made to recognise the possible 2023 Pension Increase Order within the CPI assumption.

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

	<b>2022</b> <b>Years</b>	<b>2021</b> <b>Years</b>
	<b>Northants/Bucks</b>	<b>Northants/Bucks</b>
Retiring today		
- Males	21.7/21	21.7/21.6
- Females	24.1/24.6	24.1/25
Retiring in 20 years		
- Males	22.8/22.3	22.8/22.9
- Females	25.8/26	25.8/26.4

**The Trust's share of the assets in the scheme**

	<b>2022 Fair Value</b> <b>£'000</b>	<b>2021 Fair Value</b> <b>£'000</b>
Equities	6,648	5,798
Bonds	1,535	1,681
Gilts	306	309
Cash	159	108
Property	1,163	926
Other assets	563	396
Total fair value of assets	10,374	9,218

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	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amount recognised in the statement of financial activities</b>		
Current service cost	2,822	1,834
Past service costs	-	-
Net interest cost	200	151
Settlement Cost	-	-
	<hr/>	<hr/>
Total operating charge	3,022	1,985
	<hr/>	<hr/>

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Changes in the present value of defined benefit obligations</b>		
At 1 September 2021	20,824	15,406
Current service cost	2,822	1,834
Interest cost	367	271
Employee contributions	306	233
Actuarial gain/(loss)	(11,741)	3,093
Benefits paid	373	(13)
Settlement prices	-	-
Past Service	-	-
	<hr/>	<hr/>
At 31 August 2022	12,951	20,824
	<hr/>	<hr/>

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Changes in the fair value of the Trust's share of scheme assets</b>		
At 1 September 2021	9,218	6,752
Interest income	169	122
Administration Expense	(2)	(2)
Return on plan assets (excluding net interest on the net defined pension liability)	(795)	1,293
Employer contributions	1,105	833
Employee contributions	306	233
Settlement prices received	-	-
Benefits paid	373	(13)
	<hr/>	<hr/>
At 31 August 2022	10,374	9,218
	<hr/>	<hr/>

**EAST MIDLANDS ACADEMY TRUST**  
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**25. Sensitivity Analysis**

<b>Changes in assumptions</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Decrease in Real Discount Rate of 0.1%	327	536
Increase in the Salary Increase Rate of 0.1%	10	17
Increase in the Pensions Increase Rate (CPI) of 0.1%	321	598
Adjustment to life expectancy -1-year increase	471	844

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**26. Related party transactions**

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

There were no related party transactions during 2021-22. Related party transactions in 2020: Nil.

**27. Agency arrangements**

The Academy Trust distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the year it received £58K and disbursed £34K. The Academy Trust has used of the allocation received towards its own administration costs and this is recognised as income in the Statement of Financial Activities of £Nil.

**Bursary Agency Income & Expenditure held in deferred income**

	<b>2022</b>	<b>2021</b>
B/fwd. Agency creditor	59	23
Income	58	88
Expenditure	(34)	(52)
C/fwd. Agency creditor	83	59

