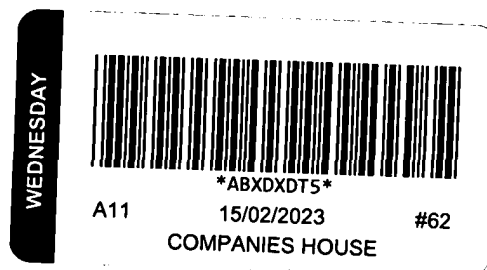

REDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 14
Governance Statement	15 - 18
Statement on Regularity, Propriety and Compliance	19
Statement of Trustees' Responsibilities	20
Independent Auditor's Report on the Financial Statements	21 - 24
Independent Reporting Accountant's Report on Regularity	25 - 26
Statement of Financial Activities Incorporating Income and Expenditure Account	27 - 28
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements	31 - 65

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr S Hopkins Mr J Fahy Mr G Lloyd (resigned 13 June 2022) Mr J Bond Mr K Edwards (appointed 8 June 2022)
Trustees	Mr S Healy, Chair Mr S Hopkins, Vice Chair Mr J Richardson Ms S Hopkin Mrs D Haynes Mr K Edwards (resigned 8 June 2022) Ms K Tompkin Ms M Sills (resigned 13 December 2021) Mr D Mason (appointed 4 July 2022) Mr G Lloyd (appointed 13 June 2022)
Company registered number	07430317
Company name	Redhill Academy Trust
Principal and registered office	Redhill Road Arnold Nottingham Nottinghamshire NG5 8GX
Company secretary	Mr J French (resigned 3 December 2021) Miss D Wakefield (appointed 4 January 2022)

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

**Executive management
team**

Mr A Burns, Chief Executive Officer
Mr T Croft, Regional Director (Secondary)
Mrs S Dyce, Director of Education Support
Mr J French, Director of Operations (resigned 3 December 2021)
Mr R Merryweather, Director of Operations (appointed 17 January 2022)
Mr R Pierpoint, Regional Director (Secondary)
Mrs J Wardle, Primary Director
Miss S Lorking, Finance Director (resigned 26 September 2021)
Mr B Dinsmore, Interim Finance Director (appointed 1 November 2021, resigned
3 January 2022)
Miss D Wakefield, Finance Director (appointed 1 January 2022)

Independent auditor

Mazars LLP
Chartered Accountants
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Bankers

Lloyds Bank
2 Davies Road
West Bridgford
Nottingham
NG2 5JD

Solicitors

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

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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

The Trust operates 15 academies for pupils aged 2 to 18 serving catchment areas across Nottinghamshire and Derbyshire; these being

- Redhill Academy (Gedling)
- Carlton Academy (Gedling)
- Carlton Infant Academy (Gedling)
- Carlton Junior Academy (Gedling)
- Colonel Frank Seely Academy (Gedling)
- Robert Mellors Primary Academy (Gedling)
- Hall Park Academy (Eastwood)
- Oakwood Academy (Nottingham City)
- Park Vale Academy (Nottingham City)
- South Nottinghamshire Academy (Radcliffe on Trent)
- The Bolsover School (Derbyshire)
- Brookfield Community School (Derbyshire)
- Tupton Primary and Nursery Academy (Derbyshire)
- Tupton Hall School (Derbyshire)
- North Wingfield Primary and Nursery Academy (Derbyshire)

The overall pupil capacity of its academies is 11,968 and the number on roll was 11,647.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Redhill Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as the Redhill Academy Trust.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

The Trustees have liability insurance through the ESFA's Risk Protection Arrangement. There is an unlimited indemnity.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

Structure, governance and management (continued)**d. Method of recruitment and appointment or election of Trustees**

The Members may appoint up to 6 Sponsor Trustees. The Members may appoint the Sponsor Trustees through such process as they may determine.

There shall be a minimum of two Parent Trustees. Parent Trustees of the Local Governing Bodies shall be elected or appointed (in accordance with the terms of reference determined by the Directors from time to time). The elected or appointed Parent Trustees of the Local Governing Bodies must be a parent of a registered pupil at one or more of the Academies at the time when he is elected or appointed.

The Chief Executive Officer may, if they agree to so act and their appointment is ratified by the Members, be a Trustee.

The Trustees may appoint up to 3 co-opted Trustees. A 'co-opted Trustee' means a person who is appointed to be a Trustee by being co-opted by Trustees who have not themselves been so appointed.

e. Policies adopted for the induction and training of Trustees

As there are normally no more than two or three appointments a year, induction is informal and is tailored specifically to the individual role they perform. The Trust procures training from the Local Authority and solicitors for Trustees and training is a set agenda item at all full Board meetings.

f. Organisational structure

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees during the year ending 31 August 2022 are included at page 1.

The organisational structure consists of the following levels: the Members, the Executive Board of Trustees, The Executive Management Team, the Head Teachers of each academy, the Governing Body and the Senior Leadership Team of each academy.

The Members delegate responsibility to the Executive Board of Trustees for making major decisions about the strategic direction of all Academies and the appointment of the principals. The Trustees are also legally appointed representatives of the trust under the Companies Act 2006 and the Charities Act 2011.

The Executive Board of Trustees delegate to Local Academy Boards of each Academy the responsibility for decisions surrounding: setting local policy (where this is not governed by Trust wide Policy); determining an annual plan and budget; monitoring each Academy (by the use of budgets); and capital expenditure. Details of those individuals appointed to each Local Governing Body are available on the individual academy websites.

g. Executive Management Team

The Executive Leadership Group manage and control each Academy at an executive level implementing the policies laid down by the Trustees and Governors and report back to them. The Leadership Group is responsible for the authorisation of spending within agreed budgets and the appointment of staff. Spending control is devolved to individual Head teachers and subsequently some control is devolved to Department.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

Structure, governance and management (continued)**h. Trade union facility time****Relevant union officials**

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	-
Total pay bill	65,410
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time - %
hours

i. Pay policy for key management personnel

All members of a senior leadership team receive performance management annually in September (Teachers) or April (Support Staff), this is performed either by the Head teacher of the academy or the Chief Executive Officer. The results of performance management are discussed and ratified by the pay committee, a subcommittee of the Executive Board, including the Chair. Any pay awards are set within contractual boundaries and pay structures as agreed by the Executive Board. The outcome is reported at the next Executive Board committee. The Chief Executive Officer receives performance management from the Chair and Vice Chair of the Executive Board and 1 other external consultant. Any pay decisions are then ratified by a subcommittee of the Executive Board and reported at the next Executive Board meeting.

Trustees do not receive remuneration for their involvement with the Trust.

j. Connected organisations, including related party relationships

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.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

Structure, governance and management (continued)

k. Engagement with employees (including disabled persons) (Section 172 Statement)

Redhill Academy Trust has adopted a number of measures to ensure that;

- employees are provided with information on matters of concern to them
- employees have been consulted so that the views of employees can be considered in making decisions which are likely to affect their interests
- employees are involved in the company's performance and have an awareness of the factors affecting the performance of the company
- the Trust ensures that applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons are embedded

The measures include;

- Regular staff briefings within schools
- Induction event for all new staff joining the Trust
- Inset days for Teaching and Support staff
- Consultation processes for significant decisions and changes

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Pay Policy
- Health & Safety Policy
- Performance Management Guidance
- Whistle Blowing
- Complaints Policy
- Data Protection
- Redhill Values Statement (British Values)

In accordance with the charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust's Equal Opportunities Policy, the charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

The Trust recognises that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunity in all areas of its activities, including creating a working environment in which contribution and needs of all people are fully valued.

The Trust welcomes applications for employment from those with a disability and applications for places from students with disabilities. The Trust's recruitment processes ensure that applicants are shortlisted for interview on the basis of the qualifications and experience. The Trust recognises that some people will require adjustments made in order for them to do the job, and will always look to make these changes wherever possible.

Full details of these policies are available from the Trust's central offices.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

Structure, governance and management (continued)**I. Engagement with suppliers, customers and others in a business relation with the Trust (Section 172 Statement)**

The Trust recognises the need to develop relationships with suppliers, customers and others as appropriate. Therefore, measures have been taken to garner the relationships in the following ways;

- The development of a procurement function to develop relationships with suppliers
- Ensuring all procurements are transparent and fair
- Compliance with better payments practice
- Engagement meetings with suppliers as required

Objectives and activities**a. Objects and aims**

The principal object and activity of the charitable company is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

In accordance with the articles of association, the charitable company has entered into a relevant funding agreement with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise standards of academic achievements of all students;
- To improve the effectiveness of the Academies by keeping the curriculum and organisational structure under continual review;
- To provide value for money on funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with industry and commerce; and
- To conduct the Academies business in accordance with the highest standards of integrity, probity and openness

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

Objectives and activities (continued)**b. Objectives, strategies and activities**

The objectives of the Trust continue to be to:

- Provide high quality, outstanding, teaching for all students.
- Valuing and celebrating academic achievement.
- High expectations of all students.
- Widening students' experiences through a range of extra curricular activities including sports, music and the performing arts.
- Building school communities based on equality and a sense of personal responsibility.

The strategies and activities for 2021/22 to achieve the above objectives are detailed in each academy's implementation plan as well as the Trust's priorities plan.

The Trust's main strategic priorities are:

- To continue to raise achievement for all students across the Trust.
- To develop reading age levels across the Trust.
- To develop Trust wide strategies on teacher recruitment.
- Rationalise School Improvement strategies & processes across the Trust.
- Expand Trust student opportunities outside the classroom and increase levels of participation.
- Close the learning gaps of students that have emerged during COVID.

c. Public benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidelines on public benefit.

The Trust looks to promote for the benefit of the inhabitants of key areas within Nottinghamshire and Derbyshire: the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

Strategic report**Achievements and performance****a. Key performance indicators**

A summary analysis of key performance indicators is as above:

Indicator	Target	Actual
Overall P8 score for all academies	Above -0.2	-0.23
% of students achieving expected progress at KS2	59	66.25
All staff costs as a % of income	80%	79%
Number of pupils on roll as % of total capacity	100%	97.3%
Number of academies delivering a balanced budget	15/15	13/15

b. Going concern

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

The reasons for the expectation that the Trust is a going concern are;

The pre audit reserves at the end of 2021/22 were £6,643k which represents 9.5% of the 2022/23 GAG allocations. This is significantly higher than the 5% required by the Trust.

The cash balance at the end of 2021/22 was £13,873k and will continue to be a healthy balance.

The 3-year budget will result in a deficit of £880k in 2022/23. The reserves position will remain above the 5% target for all 3 years.

c. Promoting the success of the company (Section 172 Statement)

The Trust always strives to maintain high standards of business conduct and therefore has in place the following measures to ensure this;

- Robust decision making processes made at appropriate levels of the organisation as required
- Consideration of the wider environment in which the Trust operates and impact on the community and other organisations
- Consideration of the impact of significant decisions on Trust employees by involvement in decisions by appropriate employees
- The Trust recognises the need to develop relationships with suppliers, customers and others as appropriate and has in place measures described in section k of the trustees' report.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

Strategic report (continued)**Achievements and performance (continued)****d. Achievements and performance**

There are 15 academies within the Trust. In total the Trust provides the education for 11,647 children.

The 2021/22 KS2 and current OFSTED outcomes were as follows

	TCIA	TCJA	RMPA	TPNA	NWPNA	National Average
Reading Writing & Maths Combined		73	60	69	63	59
Reading (Expected Standard)	73	81	70	88	80	74
Writing (Expected Standard)	61	81	65	73	74	69
Maths (Expected Standard)	81	80	74	88	89	71
Current Ofsted Judgements	2	2+	2			

At KS4 the 2021/22 outcomes were as follows:

	RHA	TCA	HPA	OWA	SNA	PVA	CFSA	TBS	THS	BCS
P8	0.17	-0.32	-0.4	-0.61	0.38	-0.84	-0.22	-0.53	-0.35	0.41
Attainment 8	51.17	44.83	43.16	41.50	55.39	37.98	47.00	46.46	44.52	54.42
% Basics (9-5)	54.2	38.2	36.0	32.2	53.2	22.2	40.5	47.1	41.1	60.1
% Basics (9-4)	74.7	65.7	58.1	54.8	77.5	46.9	66.7	70.0	61.1	75.5
Current Ofsted Judgements	1	2	3	3	2	3	2	2		3

At KS5 the 2021/22 outcomes were as follows:

	RHA	TCA	HPA	SNA	CFSA	THS	BCS
A Level Pass Rate	97.6	99.98	97.8	100	98.04	99.5	97.7
APS Per Entry (A-Level)	35.07	31.94	31.76	38.36	31.96	36.29	35.06
APS Per Entry (Voc)	38.33	33.5	33.57	37.41	28.57	33.33	29.56

Financial review**a. Review of the year**

The Trust's overall income for the financial year was £82,303k (2020/21 - £68,712k).

At the year end, the Trust has a positive balance sheet position with net assets totalling £162,915k (2020/2021 - £120,944k).

The local government pension scheme deficit has decreased to £11,348k (2020/21 - £52,896k).

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

b. Reserves policy

The Finance Director reviews the reserve levels of each Academy at least annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have reviewed the Reserves Policy during the year and determined that the appropriate level of free cash reserves should be approximately 5% of annual General Academy Grant (GAG) income overall to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. The 2021/22 GAG income was £66,022k and therefore the reserves 5% target equates to £3,301k.

The Trust's current level of reserves is £162,915k of which £6,643k is free cash reserves (total funds less the amount held in fixed assets and restricted pension funds).

The Trust has a policy for individual academies to carry forward internal under / overspends. However, the current level of reserves exceeds the 5% of GAG policy and therefore, surpluses will be utilised for investment in capital projects.

Under FRS102 it is necessary to account for projected pension liabilities on the LGPS to a specific reserve, reflecting the long-term liability on the balance sheet. These long-term liabilities do not represent a liquidity problem for the Trust and Actuarial reassessment every 3 years will determine if the Trust contribution to the deficit must change. This resulted in a cash flow effect in 2021/22 as the pension contributions were increased due to the current LGPS valuation.

c. Investment policy

The Trust's investment policy is to maximise the benefit of all cash reserves through individual investment accounts. During the year these investment accounts have not been used.

The key purpose is:

- To ensure adequate cash balances are maintained in the current accounts to cover the day-to-day workings of the Trust.
- To ensure that there is low risk to the capital value of any cash funds invested.
- To protect the capital value of any invested funds against inflation.
- To optimise returns on invested funds for the benefit of the Trusts Charitable aims and objectives.
- It is the intention of the Trust to invest in ways that are consistent with the values of the Trust.
- The Trust will ensure that any bank or fund managers responsible for the Trusts investments are operating to socially responsible objectives consistent with those of the Trust.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

d. Principal risks and uncertainties

The principal risks and uncertainties facing the Academy Trust are:

Financial – assumptions regarding future pay award increases, pension contribution requirements, staffing requirements and the cost of goods & services within our academies 3-year plans may not be sufficient. In addition, the Government may introduce changes which adversely affect the academies income streams. Forward planning, prudent budgeting and rigorous financial controls are deployed to manage these threats.

Reputational – the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Trustees ensure that student success is closely monitored and reviewed. The Executive carefully monitor academies with an Ofsted rating less than good and report regularly on these to the Trustees.

Safeguarding and child protection – the Trustees continue to ensure that the highest standards are maintained in areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing – the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning and talent management.

Fraud and mismanagement of funds – the Trust regularly assesses its fraud risks and strengthens its controls as needed. The Trust's centralised Finance team, its finance policy and its finance system are key controls in ensuring there are adequate anti-fraud preventative, detective and monitoring controls in operation. The Trust also deploys internal audit activity to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training in financial practise requirements to develop their skills in this area.

Misappropriate use or loss of personal data – the Trust takes its Data Protection obligations very seriously and through its Data Officer it manages its compliance to the regulatory requirements through policy, procedures and staff training.

We are aware that the uncertainty currently surrounding Brexit could potentially impact our operations, service users and suppliers. We are reviewing and monitoring the impact of this on an ongoing basis.

Fundraising

The Trust has carried out very limited fundraising activity across its academies during the financial year. Fund raising is limited to voluntary activities conducted by academy pupils supported by the family and friends, such as sponsored activities with a specific aim such as donations to national charities. The Trust does not work with external fundraisers and all fundraising activity is monitored through normal School Fund financial procedures. Any complaints relating to academy fundraising activities would be managed through each academy's normal complaints policy and procedure.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

Streamlined energy and carbon reporting

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2022	2021
Energy consumption breakdown (kWh):		
Gas	9,419,080	8,696,043
Electricity	5,147,180	5,155,849
Transport fuel	184,972	122,968
Wood pellets	2,937,637	-
Fuel Oil	1,315,419	-
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	1,719	1,599
Wood pellets consumption	44	-
Fuel oil consumption	375	-
Owned transport	23	9
Total scope 1	2,161	1,608
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	995	1,202
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	31	21
Total gross emissions (in tonnes of CO2 equivalent):	3,187	2,831
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.27	0.24

The methodology used is as per the Accounts Direction 2021/22.

The Trust continues to review the opportunities to reduce the carbon footprint, particularly when capital projects are undertaken, ensuring that the most energy efficient materials, fixtures and fittings are utilised.

Plans for future periods

The strategy of the Trust is to expand further if suitable opportunities should arise. Scarcliffe Primary School is in the pipeline to join the Trust, with an academy order being put in place in September 2022. The Trust also has 2 associate primary members who are in the early stages of negotiations about joining the Trust. The Trust agrees to look at each opportunity on merit and its impact on current provision. The Trust will continue to work with its existing academies to strive to realise improvements in the performance of the students at all levels. Each academy's improvement plan contains details on how these objectives will be achieved.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

Funds held as custodian on behalf of others


The Trust does not act as custodian trustee for other funds.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2022 and signed on its behalf by:


.....
S:\r\non Healy, Dec 14, 2022 10:27 GMT}

Mr S Healy
Chair of Trustees

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Redhill Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr S Hopkins, Vice Chair	5	5
Mr J Richardson	5	5
Ms S Hopkin	5	5
Mrs D Haynes	4	5
Mr K Edwards (resigned 8 June 2022)	1	4
Ms K Tompkin	4	5
Ms M Sills (resigned 8 December 2021)	1	2
Mr S Healy, Chair	5	5
Mr G Lloyd (appointed 13 June 2022)	1	1
Mr D Mason (appointed 4 July 2022)	1	1

In addition to the 5 Board meetings in year, there have also been 4 Trust Audit and Risk Committee meetings. During the year there were 4 additional board briefings held on MS teams and 2 face to face workshops. The combination of the 15 meetings held and the comprehensive nature of them allows the Trustees to maintain effective oversight and meet their responsibilities.

A governance review was carried out by DfE during the year and recommendations made have been implemented. A separate Finance Committee has been established and will be in operation from September 2022.

A declaration of interest disclosure is completed on an annual basis by all Members, Trustees, Governors, Key Management Personnel and Headteachers. Any disclosed related party interests are recorded by the Trust and each academy publishes the related party disclosures on their individual websites, with the central Trust publishing on the Trust website. These disclosures are reviewed by the central Finance team to ensure that all transactions with the related parties are recorded correctly and disclosed as required to the ESFA.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Audit and Risk Committee has a remit of controlling the financial risks of the Trust and ensuring effective oversight of the Trust's Central Finance team. On behalf of the main Board, is responsible for the oversight of the various responsibilities for preparation of draft budgets, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure etc. However, monitoring of local schools is delegated to each Local Governing Body.

The Audit and Risk Committee is also a subcommittee of the main Board of Trustees. Its purpose is to satisfy itself that the financial affairs of the individual Academies are correctly represented and that the funds received from the Education & Skills Funding Agency (ESFA) are used in accordance with the Financial Regulations agreed by the Executive Board, including:

- review and advise the Executive Board on the internal and external auditors' assessment of the effectiveness of the individual Academy's financial and other control systems, including controls specifically to prevent or detect fraud or other irregularities, as well as those for securing economy, efficiency and effectiveness
- review and advise the Board on its compliance with corporate governance requirements and good practice guidance
- review the Risk Register formally and advise on controls that need to be actioned

No specific issues have occurred throughout the year that the committee has been particularly concerned about.

The Trust Audit Committee met 4 times this year, attendance by Trustees at the meeting is as follows:

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr S Hopkins, Chair	4	4
Mr S Healy	4	4
Mr K Edwards (resigned 8 June 2022)	2	3
Ms K Tompkin (appointed 6 July 2022)	1	1

Review of value for money

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

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

1. During the year the Trust has continued to operate collaborative working groups across nearly all disciplines, including both teaching and support functions
2. The Trust continues to successfully operate a centralised shared services function for back-office services, to enable it to realise greater economies of scale and make its services more effective.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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 Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The approach to internal audit for 2021/22 comprised:

An audit of the Trust's financial transactions, HR processes and IT provision was carried out by Haines Watts Controls and Assurances. The internal auditor delivered their schedule of work as planned, however, due to staffing changes some of the work was performed later in the year. The schedule of work for 2022/23 has been planned and agreed by the Trust Audit and Risk Committee.

Haines Watts Controls and Assurances have completed all the three pieces of work that they were commissioned to complete, and all three reports have been shared with the Audit and Risk committee.

The findings from these assurance activities have been reported to the Trust Audit committee. Some compliance issues of a minor nature were identified and addressed through these reviews but all in all areas adequate assurance was received.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)


Review of effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- correspondence from ESFA e.g. FNtl/Ntl and 'minded to' letters.

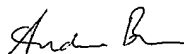
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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


S:\hr\healy\Dec 14, 2022 10:27 GMT)

.....
Mr S Healy
Chair of Trustees

Date: 7 December 2022



.....
Mr A Burns
Accounting Officer

Date: 7 December 2022

REDHILL ACADEMY TRUST

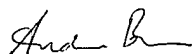
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



.....
Mr A Burns
Accounting Officer

Date: 7 December 2022

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make 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 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 and signed on its behalf by:



Simon Healy (Dec 14, 2022 10:27 GMT)

.....
Mr S Healy
Chair of Trustees

Date: 7 December 2022

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDHILL ACADEMY TRUST**

Opinion

We have audited the financial statements of Redhill Academy Trust (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, 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 2020 to 2021 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 as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and 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 Academy Trust 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.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDHILL ACADEMY TRUST**

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 have been prepared in accordance with applicable legal requirements.

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, 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.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REDHILL ACADEMY TRUST

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 these 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 throughout our 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.

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.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDHILL ACADEMY TRUST**

Auditor's responsibilities for the audit of the financial statements (continued)

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. 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 14, 2022 13:44 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 14, 2022

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDHILL 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 Redhill Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Redhill Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Redhill Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy 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.

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDHILL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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

Mazars LLP

Mazars LLP (Dec 14, 2022 13:45 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 14, 2022

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Income from:						
Donations and capital grants:						
Transfer on conversion from local authority		-	-	-	-	(6,865)
Other donations and capital grants	3	-	-	4,447	4,447	2,414
Other trading activities	5	463	54	-	517	891
Investments	6	22	-	-	22	1
Charitable activities	4	1,273	75,573	-	76,846	72,003
Teaching school hub	4	-	471	-	471	268
Total income		1,758	76,098	4,447	82,303	68,712
Expenditure on:						
Raising funds	7	348	-	-	348	1,260
Charitable activities	8	1,508	80,675	4,607	86,790	77,126
Teaching school hub	7	-	402	-	402	247
Total expenditure		1,856	81,077	4,607	87,540	78,633
Net (expenditure)/ income carried forward		(98)	(4,979)	(160)	(5,237)	(9,921)

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**


		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Net (expenditure)/ income brought forward		(98)	(4,979)	(160)	(5,237)	(9,921)
Transfers between funds	18	-	(826)	826	-	-
Net movement in funds before other recognised gains/(losses)		(98)	(5,805)	666	(5,237)	(9,921)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	47,208	-	47,208	(8,293)
Net movement in funds		(98)	41,403	666	41,971	(18,214)
Reconciliation of funds:						
Total funds brought forward		1,122	(47,132)	166,954	120,944	139,158
Net movement in funds		(98)	41,403	666	41,971	(18,214)
Total funds carried forward		1,024	(5,729)	167,620	162,915	120,944

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)****REGISTERED NUMBER: 07430317**

**BALANCE SHEET
AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	15	164,155	164,668
		<u>164,155</u>	<u>164,668</u>
Current assets			
Debtors	16	4,328	3,224
Cash at bank and in hand	22	13,873	14,041
		<u>18,201</u>	<u>17,265</u>
Liabilities			
Creditors: Amounts falling due within one year	17	(8,093)	(8,093)
		<u>10,108</u>	<u>9,172</u>
Net current assets		<u>10,108</u>	<u>9,172</u>
Net assets excluding pension liability		<u>174,263</u>	<u>173,840</u>
Defined benefit pension scheme liability	26	(11,348)	(52,896)
Total net assets		<u><u>162,915</u></u>	<u><u>120,944</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	167,620	166,954
Restricted income funds	18	5,619	5,764
		<u>173,239</u>	<u>172,718</u>
Restricted funds excluding pension liability	18	173,239	172,718
Pension reserve	18	(11,348)	(52,896)
		<u>161,891</u>	<u>119,822</u>
Total restricted funds	18	<u>161,891</u>	<u>119,822</u>
Unrestricted income funds	18	<u>1,024</u>	<u>1,122</u>
Total funds		<u><u>162,915</u></u>	<u><u>120,944</u></u>

The financial statements on pages 27 to 65 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


Simon Healy (Dec 14, 2022 10:27 GMT)

.....
Mr S Healy
Chair of Trustees

Date: 7 December 2022

The notes on pages 31 to 65 form part of these financial statements.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(531)	5,802
Cash flows provided by/(used in) investing activities	21	363	(1,036)
Change in cash and cash equivalents in the year		(168)	4,766
Cash and cash equivalents at the beginning of the year		14,041	9,275
Cash and cash equivalents at the end of the year	22, 23	<u>13,873</u>	<u>14,041</u>

The notes on pages 31 to 65 form part of these financial statements.

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold land and buildings	- 50 years straight line
Leasehold land and buildings	- Between 15 - 50 years
Building improvements	- Between 20 - 25 years
Furniture and equipment	- 9 years straight line
Motor vehicles	- 4 years straight line

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

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

1.6 Leased assets

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

1.7 Liabilities

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

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)**1.8 Provisions**

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

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

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

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

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 30.

1.13 Fund accounting

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

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

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

Tupton Hall School occupies its land and buildings under a Private Finance Initiative (PFI) agreement until April 2028, at which point the lease transfers to the Trust. The lease has been signed and we will therefore benefit from the risks and rewards of the asset so for this reason, the land and buildings have been included on the balance sheet as a fixed asset.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

3. Income from donations and capital grants

	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Transfer from local authority on conversion	-	-	(6,865)
Capital grants	4,447	4,447	2,414
Total 2022	<u>4,447</u>	<u>4,447</u>	<u>(4,451)</u>
Total 2021	<u>(4,451)</u>	<u>(4,451)</u>	

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	66,022	66,022	59,977
Other DfE/ESFA grants				
Pupil Premium	-	3,392	3,392	3,242
Teachers' Pay/Pension Grants	-	377	377	2,885
Others	-	2,549	2,549	958
	-	72,340	72,340	67,062
Other Government grants				
Local authority grants	-	2,304	2,304	2,624
Other income from the academy trust's educational operations	1,273	929	2,202	912
COVID-19 additional funding (DfE/ESFA)				
Catch up premium	-	-	-	808
Other DfE/ESFA COVID-19 funding	-	-	-	597
	-	-	-	1,405
Total educational operations	1,273	75,573	76,846	72,003
Teaching school hub DfE/ESFA grants	-	471	471	268
	-	-	-	-
Total 2022	1,273	76,044	77,317	72,271
Total 2021	664	71,607	72,271	

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

5. Other trading activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Hire of facilities	279	-	279	121
Income from other charitable activities	184	54	238	770
Total 2022	463	54	517	891
Total 2021	308	583	891	

6. Investment income

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Investment income	22	22	1
Total 2021	1	1	

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

7. Resources expended

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000	Total 2021 £000
Expenditure on raising funds:					
Allocated support costs	-	-	348	348	1,260
Academy Trust's educational operations:					
Direct costs	41,262	3,994	4,972	50,228	48,360
Allocated support costs	23,582	6,727	6,253	36,562	28,766
Teaching school hub	296	3	103	402	247
Total 2022	65,140	10,724	11,676	87,540	78,633
Total 2021	59,455	9,603	9,575	78,633	

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

8. Charitable activities

	2022 £000	2021 £000
Direct costs - educational operations	50,228	48,360
Support costs - educational operations	36,562	28,766
Direct costs - teaching school hub	402	247
	<u>87,192</u>	<u>77,373</u>
	2022 £000	2021 £000
Support costs		
Staff costs	23,582	19,159
Depreciation	613	514
Technology costs	1,782	995
Premises costs	6,727	5,711
Legal costs - other	283	50
Other support costs	3,526	2,289
Governance costs	49	48
	<u>36,562</u>	<u>28,766</u>

9. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total £000	Individual items above £5,000 Amount £000	Reason
Compensation payments	6	6	Employment compensation

The legal authority sought to make the payments followed the Academy Trust Handbook 2021, being delegated authority or approval from the Education and Skills Funding Agency.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

10. Net income

Net expenditure for the year includes:

	2022	2021
	£000	£000
Operating lease rentals	357	240
Depreciation of tangible fixed assets		
- owned by the charity	4,610	4,394
Loss on disposal of fixed assets	9	-
Fees paid to auditor for:		
- audit	26	24
- other services	15	8

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

11. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2022	2021
	£000	£000
Wages and salaries	44,215	41,353
Social security costs	4,320	4,518
Pension costs	15,261	12,954
	<u>63,796</u>	<u>58,825</u>
Agency staff costs	1,332	596
Staff restructuring costs	12	34
	<u>65,140</u>	<u>59,455</u>

Staff restructuring costs comprise:

	2022	2021
	£000	£000
Redundancy payments	-	21
Severance payments	12	13
	<u>12</u>	<u>34</u>

b. Severance payments

The Academy Trust paid 2 severance payments in the year (2021 - 4), disclosed in the following bands:

	2022	2021
	No.	No.
£0 - £25,000	2	4

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2021 - £Nil).

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

11. Staff (continued)**d. Staff numbers**

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

	2022 No.	2021 No.
Teachers	715	799
Administration and support	960	839
Management	79	91
	<u>1,754</u>	<u>1,729</u>

e. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	26	17
In the band £70,001 - £80,000	12	6
In the band £80,001 - £90,000	5	6
In the band £90,001 - £100,000	6	5
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	4	3
In the band £150,001 - £160,000	1	1

f. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on pages 1 & 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £972k (2021 - £991k).

REDHILL ACADEMY TRUST

(A Company Limited by Guarantee)

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

12. Central services

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

- Leadership mentoring support
- School Improvement services
- Trust Subject Directors for English, Maths, Science and Modern Foreign Languages
- Lead Practitioner support
- Data management services
- Student Re Integration Services
- Attendance management support
- Budget, Forecast & Monthly reporting & review coordination
- Financial transactional processing services
- Financial Statement preparation & external audit management
- Internal Audit services
- ESFA reporting management
- Accounting Officer & Chief Financial Officer services
- Funding applications
- Finance systems
- Company Secretarial services
- Legal & Professional services
- Capital funding services
- Project management
- Teacher recruitment support
- Payroll services & systems
- HR advisory, HR systems, Apprenticeship Levy management
- IT support
- Facilities management & support

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

12. Central services (continued)

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

Between 5% and 6% for academies.

The actual amounts charged during the year were as follows:

	2022 £000	2021 £000
The Redhill Academy	482	492
The Carlton Academy	386	344
Oakwood Academy	227	232
South Notts Academy	234	209
Park Vale Academy	285	271
Hall Park Academy	265	257
Colonel Frank Seely Academy	222	209
The Bolsover School	234	225
Robert Mellors Primary Academy	61	57
The Carlton Junior Academy	52	49
The Carlton Infant Academy	40	37
Brookfield Community School	302	148
Tupton Primary & Nursery Academy	48	46
Tupton Hall School	415	379
North Wingfield Primary and Nursery Academy	62	59
Redhill Teaching Hub	10	5
Total	3,325	3,019

13. Trustees' remuneration and expenses

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

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

14. Trustees' and Officers' insurance

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

REDHILL ACADEMY TRUST
(A Company Limited by Guarantee)

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

15. Tangible fixed assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Assets under construction £000	Furniture and equipment £000	Building improvements £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation								
At 1 September 2021	22,641	155,650	417	818	7,984	2,405	91	190,006
Additions	-	-	2,197	257	1,145	503	4	4,106
Disposals	-	(9)	-	-	-	-	(17)	(26)
At 31 August 2022	22,641	155,641	2,614	1,075	9,129	2,908	78	194,086
Depreciation								
At 1 September 2021	4,683	17,001	-	429	1,527	1,615	83	25,338
Charge for the year	578	2,974	-	112	442	495	9	4,610
On disposals	-	-	-	-	-	-	(17)	(17)
At 31 August 2022	5,261	19,975	-	541	1,969	2,110	75	29,931
Net book value								
At 31 August 2022	17,380	135,666	2,614	534	7,160	798	3	164,155
At 31 August 2021	17,958	138,649	417	389	6,457	790	8	164,668

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

15. Tangible fixed assets (continued)

Included in leasehold property is land of £21,894k (2021 - £21,894k) which is not depreciated.

Included in freehold property is land of £5,780k (2021 - £5,780k) which is not depreciated.

16. Debtors

	2022	2021
	£000	£000
Trade debtors	643	235
VAT recoverable	842	548
Other debtors	-	91
Prepayments and accrued income	2,843	2,350
	<u>4,328</u>	<u>3,224</u>

17. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	2,931	2,365
Other taxation and social security	1,097	1,017
Other creditors	1,830	1,785
Accruals and deferred income	2,235	2,926
	<u>8,093</u>	<u>8,093</u>

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

17. Creditors: Amounts falling due within one year (continued)

	2022 £000	2021 £000
Deferred income		
Deferred income at 1 September	476	620
Resources deferred during the year	440	476
Amounts released from previous years	(476)	(620)
Deferred income at 31 August	440	476

Deferred income includes the following :

AFN funding	£26k (2021 - £40k)
Rates Relief	£170k (2021 - £97k)
Universal Infant Free School Meal Income	£70k (2021 - £68k)
High Level Needs Funding	£130k (2021 - £159k)
North Wingfield Tier 2 Grant	£Nil (2021 - £3k)
Sport England Funding	£15k (2021 - £16k)
Ecorys Income	£Nil (2021 - £8k)
ESFA Rates Refund	£Nil (2021 - £39k)
PE Grant	£Nil (2021 - £11k)
Additional Inclusion Allowance	£Nil (2021 - £11k)
COVID Catch up Deferral 21/22	£Nil (2021 - £10k)
Other	£29k (2021 - £14k)

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General Funds	1,122	1,758	(1,856)	-	-	1,024
Restricted general funds						
General Annual Grant (GAG)	5,764	66,022	(65,341)	(826)	-	5,619
Pupil Premium	-	3,392	(3,392)	-	-	-
Teachers' Pay/Pension Grant	-	377	(377)	-	-	-
Other restricted	-	6,307	(6,307)	-	-	-
Pension reserve	(52,896)	-	(5,660)	-	47,208	(11,348)
	<u>(47,132)</u>	<u>76,098</u>	<u>(81,077)</u>	<u>(826)</u>	<u>47,208</u>	<u>(5,729)</u>

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Restricted fixed asset funds						
Capital donations	151,775	-	(4,079)	-	-	147,696
DfE/ESFA capital grants	10,058	2,407	(335)	-	-	12,130
Other capital grants	2,825	2,040	(131)	-	-	4,734
Capital expenditure from unrestricted funds	661	-	(18)	-	-	643
Capital expenditure from GAG	1,635	-	(44)	826	-	2,417
	<u>166,954</u>	<u>4,447</u>	<u>(4,607)</u>	<u>826</u>	<u>-</u>	<u>167,620</u>
Total Restricted funds	<u>119,822</u>	<u>80,545</u>	<u>(85,684)</u>	<u>-</u>	<u>47,208</u>	<u>161,891</u>
Total funds	<u>120,944</u>	<u>82,303</u>	<u>(87,540)</u>	<u>-</u>	<u>47,208</u>	<u>162,915</u>

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Transfers relate to 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 it could carry forward at 31 August 2022.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds (continued)

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds	1,952	973	(1,803)	-	-	1,122
Restricted general funds						
General Annual Grant (GAG)	2,671	59,977	(56,023)	(861)	-	5,764
Pupil Premium	422	3,242	(3,664)	-	-	-
Teachers' Pay/Pension Grant	-	2,885	(2,885)	-	-	-
Catch-up premium	-	808	(808)	-	-	-
Other COVID 19 funding	-	598	(598)	-	-	-
Other restricted	-	4,680	(4,680)	-	-	-
Pension reserve	(40,828)	-	(3,775)	-	(8,293)	(52,896)
	(37,735)	72,190	(72,433)	(861)	(8,293)	(47,132)

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds (continued)

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Restricted fixed asset funds						
Capital donations	162,658	(6,865)	(4,018)	-	-	151,775
DfE/ESFA capital grants	7,910	2,414	(266)	-	-	10,058
Other capital grants	2,900	-	(75)	-	-	2,825
Capital expenditure from unrestricted funds	679	-	(18)	-	-	661
Capital expenditure from GAG	794	-	(20)	861	-	1,635
	<u>174,941</u>	<u>(4,451)</u>	<u>(4,397)</u>	<u>861</u>	<u>-</u>	<u>166,954</u>
Total Restricted funds	<u>137,206</u>	<u>67,739</u>	<u>(76,830)</u>	<u>-</u>	<u>(8,293)</u>	<u>119,822</u>
Total funds	<u>139,158</u>	<u>68,712</u>	<u>(78,633)</u>	<u>-</u>	<u>(8,293)</u>	<u>120,944</u>

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds (continued)**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
The Redhill Academy	1,027	664
The Carlton Academy	491	523
Hall Park Academy	496	226
Oakwood Academy	1,120	1,281
South Notts Academy	462	358
Park Vale Academy	1,264	1,455
Colonel Frank Seely Academy	(157)	(125)
The Bolsover School	7	190
Robert Mellors Primary Academy	315	305
The Carlton Junior Academy	253	315
The Carlton Infant Academy	(36)	56
Brookfield Community School	411	491
Tupton Primary & Nursery Academy	124	126
Redhill Teaching School Alliance	59	-
Tupton Hall School	985	720
North Wingfield Primary and Nursery Academy	300	368
Redhill Academy Trust	(478)	(67)
Total before fixed asset funds and pension reserve	6,643	6,886
Restricted fixed asset fund	167,620	166,954
Pension reserve	(11,348)	(52,896)
Total	162,915	120,944

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds (continued)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
Colonel Frank Seely Academy	(157)
Redhill Academy Trust	(478)
The Carlton Infant Academy	(36)
	<hr/> <hr/>

The Trust is working with the two academies that are currently in a deficit position to produce a plan to recover the financial position. This includes the use of CLFP and other efficiency tools. Close monitoring of these academies is performed on a monthly basis. We are working on a treasury management strategy that will address the deficit in the Trust central funds alongside other efficiencies that are being identified.

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

18. Statement of funds (continued)**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
The Redhill Academy	5,724	1,962	674	964	9,324	9,551
The Carlton Academy	4,203	1,700	561	1,066	7,530	6,973
Hall Park Academy	3,062	1,158	444	768	5,432	5,171
Oakwood Academy	2,765	1,076	711	1,606	6,158	5,625
South Notts Academy	2,782	1,245	392	532	4,951	4,475
Park Vale Academy	2,994	1,455	601	833	5,883	5,783
Colonel Frank Seely Academy	2,655	1,075	261	640	4,631	4,719
The Bolsover School	3,132	1,022	149	1,409	5,712	5,553
Robert Mellors Primary Academy	763	755	49	207	1,774	1,891
The Carlton Junior Academy	736	424	62	222	1,444	1,401
The Carlton Infant Academy	518	494	37	183	1,232	1,096
Brookfield Community School	3,869	1,259	375	628	6,131	6,177
Tupton Primary & Nursery Academy	576	488	40	217	1,321	1,247
Redhill Teaching School Alliance	232	64	40	66	402	248
Tupton Hall School	5,466	1,392	560	1,953	9,371	8,919
North Wingfield Primary and Nursery Academy	823	687	48	309	1,867	1,695
Redhill Academy Trust	1,194	7,390	8	1,175	9,767	3,712
Academy Trust	41,494	23,646	5,012	12,778	82,930	74,236

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

19. Analysis of net assets between funds

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	164,155	164,155
Current assets	1,024	13,712	3,465	18,201
Creditors due within one year	-	(8,093)	-	(8,093)
Provisions for liabilities and charges	-	(11,348)	-	(11,348)
Total	1,024	(5,729)	167,620	162,915

Comparative information in respect of the preceding year is as follows

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	164,668	164,668
Current assets	1,122	13,857	2,286	17,265
Creditors due within one year	-	(8,093)	-	(8,093)
Provisions for liabilities and charges	-	(52,896)	-	(52,896)
Total	1,122	(47,132)	166,954	120,944

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

20. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £000	2021 £000
Net expenditure for the year (as per Statement of Financial Activities)	(5,237)	(9,921)
Adjustments for:		
Depreciation charges	4,610	4,394
Loss on disposal of fixed assets	9	-
Transfer on conversion	-	6,865
Interest receivable	(22)	(1)
(Increase)/decrease in debtors	(1,104)	927
Increase in creditors	-	2,177
Capital grants from DfE and other capital income	(4,447)	(2,414)
Defined benefit pension scheme cost less contributions payable	4,816	3,137
Defined benefit pension scheme finance cost	844	638
Net cash (used in)/provided by operating activities	(531)	5,802

21. Cash flows from investing activities

	2022 £000	2021 £000
Interest received	22	1
Purchase of tangible assets	(4,106)	(3,451)
Capital grants from DfE and other capital income	4,447	2,414
Net cash provided by/(used in) investing activities	363	(1,036)

22. Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash in hand and at bank	13,873	14,041

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

23. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	14,041	(168)	13,873

24. Contingent liabilities

With regards to the Harpur Trust v Brazel court case which the Supreme Court concluded on in July 2022, the impact of the outcome on the Trust cannot be reasonably estimated at this time and therefore no provision recognised in the financial statements.

25. Capital commitments

	2022 £000	2021 £000
Contracted for but not provided in these financial statements	1,041	116

26. Pension commitments

The Academy Trust's employees belong to two principle 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 Nottinghamshire County Council and Derbyshire 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 31 March 2019.

Contributions amounting to £1,116k were payable to the schemes at 31 August 2022 (2021 - £1,061k) and are included within creditors.

Teachers' Pension Scheme

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

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

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

26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £7,046k (2021 - £6,826k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £3,356k (2021 - £3,026k), of which employer's contributions totalled £2,615k (2021 - £2,353k) and employees' contributions totalled £741k (2021 - £673k). The agreed contribution rates for future years are 18% per cent for employers and 5.5 to 9.9 per cent for employees.

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

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

26. Pension commitments (continued)**CPI assumption**

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.

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	3.75 - 3.90	3.60 - 3.90
Rate of increase for pensions in payment/inflation	2.90 - 3.05	2.85 - 2.90
Discount rate for scheme liabilities	4.25	1.65 - 1.70
Inflation assumption (CPI)	2.90 - 3.05	2.85 - 2.90

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

	2022 Years	2021 Years
Retiring today		
Males	21.1 - 21.7	21.3 - 21.6
Females	23.8 - 24.4	23.9 - 24.3
Retiring in 20 years		
Males	22.2 - 23.0	22.5 - 22.9
Females	25.6 - 25.8	25.7 - 25.8

Sensitivity analysis on the defined benefit obligations

	2022 £000	2021 £000
Discount rate -0.1%	1,324	2,345
Mortality assumption - 1 year increase	1,702	3,837
CPI rate +0.1%	1,211	2,078
Salary rate +0.1%	127	236

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

26. Pension commitments (continued)**Share of scheme assets**

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

	2022 £000	2021 £000
Equities	26,559	26,872
Corporate bonds	5,698	5,913
Property	5,435	3,779
Cash	2,061	1,824
Other	3,355	2,927
Total market value of assets	43,108	41,315

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

	2022 £000	2021 £000
Current service cost	(7,418)	(5,479)
Interest income	691	563
Interest cost	(1,535)	(1,201)
Administrative expenses	(13)	(11)
Total amount recognised in the Statement of Financial Activities	(8,275)	(6,128)

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

	2022 £000	2021 £000
At 1 September	94,211	74,621
Current service cost	7,418	5,479
Interest cost	1,535	1,201
Employee contributions	741	673
Actuarial (gains)/losses	(49,036)	12,955
Benefits paid	(413)	(718)
At 31 August	54,456	94,211

REDHILL ACADEMY TRUST**(A Company Limited by Guarantee)**

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

26. Pension commitments (continued)

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

	2022 £000	2021 £000
At 1 September	41,315	33,793
Interest income	691	563
Actuarial (losses)/gains	(1,828)	4,662
Employer contributions	2,615	2,353
Employee contributions	741	673
Benefits paid	(413)	(718)
Administration expenses	(13)	(11)
At 31 August	43,108	41,315

27. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £000	2021 £000
Not later than 1 year	3,903	3,336
Later than 1 year and not later than 5 years	14,782	12,633
Later than 5 years	18,503	19,838
	37,188	35,807

On conversion, the Private Finance Initiative ("PFI") property used by the Trust was transferred from Nottingham City Council And Derbyshire County Council to the trust via a donation. No liability has arisen as a result of this transaction as Nottingham City Council and Derbyshire County Council retained ultimate responsibility for the outstanding capital finance. However a financial commitment exists for the Trust in the form of PFI charges to cover the service charge element of the unitary charge payable. The commitment currently amounts to approximately £3,569k (2021 - £3,336k) per annum plus PFI benchmarking charges. These charges are subject to an increase which is linked to the retail price index. The PFI contributions are recognised in the Statement of Financial Activities. The Academy Trust has received annual income of £1,873k (2021 - £1,849k) from the ESFA to assist with the PFI costs.

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

28. Members' liability

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

29. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Income related party transactions

The Academy Trust received lettings income totalling £3,152 (2021 - £Nil) from Eagle's Nest Church, a charity in which Mr J Fahy and Mr J Bond (Members of the Academy Trust) are Trustees. There were no amounts outstanding at 31 August 2022 (2021 - £Nil).

30. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August the Academy Trust received £114k (2021 - £97k) and disbursed £128k (2021 - £150k) from the fund. An amount of £49k (2021 - £63k) is included in other creditors relating to undistributed funds that is repayable to the ESFA.