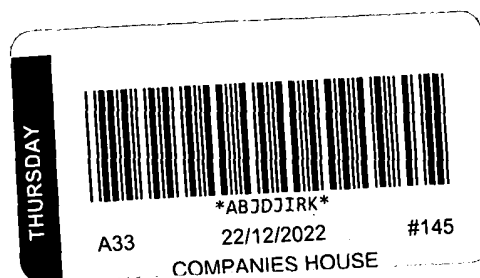


Company Registration Number: 07988444 (England & Wales)

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Ms Kathy Inskip Mr Allan Dunsmore Mrs Jennifer Eshelby (Resigned 10 December 2021) Mr William Shepherd Mr Miles Carter (appointed 2 July 2022)
Trustees	Mrs Penny Allsopp, Trustee (Resigned 31 August 2022) Mr Allan Dunsmore, Vice Chair Mrs Jennifer Eshelby, Principal Ms Susanne Francis, Trustee Miss Catherine Gough, Trustee Ms Kathy Inskip, Chair of Trustees Mr Rupert Mingay, Trustee Mr Charles Moore, Trustee Dr Rachel Roberts-Straub, Trustee Dr Daniel Slavin, Trustee (appointed 26 October 2021)
Company registered number	07988444
Company name	Ash Field Academy Trust
Principal and registered office	Broad Avenue Leicester Leicestershire LE5 4PY
Senior management team	Mrs Jennifer Eshelby, Principal Mrs Stephanie Chamberlain, Deputy Principal Mrs Helen Jarvis, Vice Principal Mrs Caroline Lindsay, Vice Principal Mrs Jessica Renner, Vice Principal Mrs Ellen Croft, Vice Principal
Independent auditors	Duncan and Toplis Limited Chartered Accountants and Statutory Auditors 15 Chequergate Louth Lincolnshire LN11 0LJ
Bankers	Lloyds Bank Uppingham Road Leicester LE5 4DG

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Solicitors

Browne Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU

ASH FIELD 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 following details the method of recruitment and appointment or election of trustees from September 1st 2021. However, in March 2021, the academy applied to the DfE for consent to move to updated articles of association and this was approved in July 2022. Charity Commission approval was given in August 2022, and the articles of association brought into effect by the members through a special resolution dated 23rd August 2022. Recruitment and appointment will now be in line with the new articles. From 1st September to 23rd August, the method was as follows:

1. The members may appoint up to one trustee save that no more than one third of the total number of individuals appointed as trustees shall be employees of the academy trust (including the Principal).
2. The Local Authority (LA) may appoint the LA trustee in the first instance.
3. The Principal shall be treated for all purposes as an ex officio trustee.
4. The parent trustee(s) shall be elected by parents registered at the academy and must be a parent of a pupil at the academy at the time of the election.
5. The Governing Body shall make all necessary arrangements for, and determine all other matters in relation to, an election of parent trustees, including any question of whether a person is a parent of a registered pupil at the academy. Any election of parental trustees which is contested shall be held by secret ballot.
6. The arrangements made for the election of a parent trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the academy trust by a registered pupil at the academy.
7. Where a vacancy for a parent trustee is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.
8. The number of parent trustees required shall be made up by parent trustees appointed to the Governing Body if the number of parents standing for election is less than the number of vacancies.
9. In appointing a parent trustee the Governing Body shall appoint a person who is the parent of a registered pupil at the academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.
10. The Governing Body shall make all necessary arrangements for, and determine all matters relating to, the election and removal of staff trustees.
11. The community trustees may be appointed by the Governing Body provided that the person who is appointed as a community trustee is:
 - (a) a person who lives or works in the community served by the academy; or
 - (b) a person who, in the opinion of the Governing Body, is committed to the government and success of the special academy.
12. The trustees may appoint up to two 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. The trustees may not co-opt an employee of the academy trust as a co-opted trustee if the number of trustees who are employed by the academy trust (including the Principal) would thereby exceed one third of the total number

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

of trustees.

e. Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their existing experience. Safeguarding and the role of a trustee will always be a part of the induction process. Where necessary, induction will also be provided on charity and educational legal and financial matters. Trustees who are unfamiliar with the school are given a tour of the academy, and all new trustees have an opportunity to meet with the Principal and Chair of Trustees.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As there are normally few new trustees a year, induction tends to be tailored specifically to the individual; a skills' audit is undertaken early on to support this.

f. Organisational structure

In the financial year 2021-22, the academy trust met as a full board seven times: six for planned full governing board meetings and the seventh being the Annual General Meeting. In addition, there are many visits both formal and informal and electronic communications.

There is one standing committee, namely the Resources, Audit and Risk Committee, which has delegated responsibilities. This committee oversees finance, personnel, health and safety, audit and risk management. The committee has met remotely five times during the year: four for planned meetings and a fifth due to a number of items that required more detailed discussion.

The demarcation of decision-making is that the day-to-day running of the school remains the preserve of the Principal in collaboration with the Senior Leadership Team. The strategic direction of the school is negotiated and requires the approval of the Board. The academy plan and the associated staff and other resources expenditure within it requires the approval of the trustees, as does any expenditure above £25,000. A scheme of delegation is in place to support this.

The Principal is the Accounting Officer.

The academy does not have any subsidiaries, joint ventures or associates.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

This is as per part 3 of Ash Field Pay and Conditions Policy, which relates to all teachers, including the Senior Leadership Team, and indicates where this is different for the Principal.

3.1 The Academy Board Trust will use its own pay scale as a guide. This in turn has used the national STPCD and the local support staff scales as a reference to set a minimum for salary determination and school group size.

3.2 All teachers are regarded as leaders and pay will reflect the corporate contribution and sustained high performance made through the outcomes achieved and the level of expertise, responsibility, attitude and care shown towards all pupils and adults working in and associated with the academy.

Annual determination of pay

3.3 The Academy Trust Board will seek to agree performance objectives relating to school leadership and management and pupil progress with the Principal. In default of agreement, the Academy Trust Board will set such performance objectives. In either case, the Board will appraise the performance of the Principal, taking account of the performance objectives but making a judgement about their overall contribution.

3.4 The Academy Trust Board will determine the salary based on this appraisal and of recruitment and retention factors or any factors they think relevant.

3.5 The Academy Board Trust will review the pay range whenever they see fit and in response to such circumstances as increased pupil numbers or complexity of the role.

3.6 The Principal will make pay recommendations to the Academy Trust Board Committee with responsibility for pay in line with the Performance and Development Review Policy i.e. following appraisal of objectives and overall performance of all teachers by the relevant appraisers

3.7 The Academy Board Trust will make what decisions they see fit in respect of pay ranges and any movement up the scale having due regard to sustained and substantial performance as above, the relative levels of responsibility, recruitment, retention and affordability. Performance will be evaluated using a combination of judgements based on quality of teaching; pupil outcomes; leadership; support for the corporate ethos, morale and focus of all staff; appraisal objectives; interaction and relationships with pupils, colleagues, parents and other relevant adults; matching and exceeding professional conduct and standards; and quality of paperwork and meeting deadlines.

The Board will use its discretion in respect of temporary points awarded for the completion of particular tasks or roles.

3.8 The Board, notwithstanding the overarching consideration of paragraph 3.2 above, will also consider:

- if a teacher's duties include a significant responsibility that is not required of all classroom teachers.
- the focus on teaching and learning.
- the exercise of a teacher's professional skills and judgement.
- the requirement to the teacher to lead, manage and develop a subject or curriculum area.
- the requirement to lead and manage pupil development across the curriculum.
- the impact on the educational progress of pupils other than the teacher's assigned classes or groups of pupils.
- the quality and degree of leading, developing and enhancing the teaching practice of other staff.
- the quality and degree of working with parents and other agencies.
- if they have a line management responsibility for a significant number of people e.g., leading and managing their performance, capability and discipline.
- the nature of the work to be undertaken, including any work with teachers from other schools.
- the degree of challenge of the role.
- the professional competencies required of the teacher.
- any care or medical responsibilities; and
- such other criteria as the Board considers appropriate including timekeeping; professional dress and appearance; good will; the quality of the upkeep of the classroom; the quality of work left for cover staff,

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

including planning sufficiently well in advance for a supply teacher to follow a programme of work if absent through illness (teachers may be contacted and asked to send information in if this planning is not readily available in school) and so forth.

3.9 In the event of a restructuring or reassignment of responsibilities resulting in a lower level of responsibility for a member of staff, this would be confirmed in writing.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	3
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	704
Total pay bill	4,326,566
Percentage of total pay bill spent on facility time	0.02 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	34.00 %
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i. Related Parties and other Connected Charities and Organisations

The academy was a partner in the WELL Trust until 24th March 2022 when the Principal resigned as a director. This is a trust comprising of six other special schools in Leicester City.

Although the academy works closely with many partners, there are currently no other formal or legal relationships with related parties or any other charities, companies or organisations which the trust cooperates with in the pursuit of charitable activities.

The Academy Trust is not part of any federation, nor does it cooperate with any related parties, charities, companies, or organisations in the pursuit of charitable activities.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

j. Engagement with Employees

The Academy Trust does not have more than 250 employees.

Objectives and activities

a. Objects and Aims

Ash Field Academy Trust's public charitable objects stated in its Articles of Association and the Funding Agreement and are specifically restricted to the following:

- i) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing, and developing a school specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academy"); and
- ii) To promote for the benefit of individuals living in Leicester, Leicestershire and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship, or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

For the purpose of meeting its objectives, the academy has the following main areas of continuous activity:

To advance for the public benefit education in the United Kingdom, managing and developing a school specially organised to make special educational provision for pupils with Special Educational Needs.

b. Objectives, Strategies and Activities

Day academy:

Ash Field Academy is a Special School catering for 160 children and young people ranging from age 4 to 19, all of whom have complex medical conditions and/or physical disabilities. These needs have become significantly more common and complex over the last 10 years, leading to the need for an in-school health care team amongst other specialist resourcing. In addition to their medical and physical needs, pupils have a very wide range of learning, communication and sensory needs; we therefore have three specialist curriculum pathways to meet the needs of our pupils from Key Stage 2 to 5, and a further curriculum pathway for our pupils in EYFS and Key Stage 1.

Our pupils currently come from across the City of Leicester, Leicestershire and from two further counties. These factors make our pupil population extremely diverse and this demands that everything we do is focused on the individual child, what they can do, what they might be able to do and how they can make progress as quickly as possible.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

Key aims and strategies to ensure successful development of the school	Criteria to assess success
Teaching in reading and maths is highly effective	<ul style="list-style-type: none"> Teacher pedagogy for both reading and maths is highly developed Resourcing is effective for both subject areas All classroom-based staff are effective in ensuring progress in reading and maths Outcomes in reading and maths are even better An experienced teacher is able to lead in each area to ensure effective strategies become embedded and new developments in pedagogy in the future are known and implemented / adapted for Ash Field
Staff well-being is improved	<p>The following aspects build on the positive practice already in place at the school, as evaluated through the staff survey and other quality assurance measures:</p> <ul style="list-style-type: none"> Change management is effective so that staff feel included Communication with and between staff is effective Most staff feel confident in approaching the most appropriate person in order to seek solutions in a variety of situations Teacher workload is addressed appropriately Staff sickness absence and leave of absence is carefully tracked and monitored and appropriate wellbeing measures are put in place where necessary Statistical improvement in staff absence rates Staff facilities are improved so that they are in line with children's
The school will develop an even better partnership with parents	<ul style="list-style-type: none"> All staff are able to consistently communicate with parents sensitively and appropriately in order that partnerships continue to develop Parents feel well-informed by the school about curriculum, their child's progress and achievements, school events and ways to be involved Parents are fully engaged in Annual Reviews and Parents Evenings and their views, wishes and aspirations for their children are fully considered Communication approaches are used consistently, with an understanding of individual parents' situations and wishes Senior leaders feel confident in managing and setting boundaries when dealing with extremely challenging matters Barriers for parents for whom English is an Additional Language (EAL) are ameliorated Parents feel welcome and have opportunities to be involved and part of the school community to the level that suits them

Residential academy:

The provision of residential opportunities to pupils aged 8 and over, at the school at appropriate points in their school careers. There are 18 beds, which in a typical year allows us to provide residential education for approximately 50 pupils.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

Using information from our pupils' Education, Health and Care Plans (EHCPs), as well as local and national research, we have identified key objectives that our children need support in and that we believe the residential provision can most effectively impact on. These objectives are as follows:

- **Independence:** we particularly focus on the life skills that will support learners to be more independent beyond our doors and in their adult lives.
- **Social Skills:** we are keen to ensure that our pupils are able to make positive, healthy relationships with both their peers and those older and younger than them. We recognise that for pupils in wheelchairs and with complex medical needs, socialising outside of school is extremely difficult due to community opportunities which may be limited. This could be extremely detrimental to pupils; Resi can meet this need and ensure positive outcomes in this area.

Emotional Self-Regulation: we know that having a special need or disability can make it particularly difficult for pupils to manage their emotions. Research shows that cognitive impairment *in isolation* can make this challenging, and so our pupils, with not only cognitive but physical and/or medical needs, are particularly vulnerable to having low self-efficacy, reduced confidence and/or a negative self-image. Emotional self-regulation is often the result of these vulnerabilities, and we are determined to ensure we counteract this.

Key aims and strategies to ensure successful development of the residential academy	Criteria and/or measures to assess success
To develop Resi managers as Strategic Leaders	<ul style="list-style-type: none">• Resi managers recognise the importance of strategic leadership and are able to prioritise this• Resi managers take proactive ownership of strategic priority area
To tailor approaches for all learners	<ul style="list-style-type: none">• Pupils preparing for supported living within 2 years have greater access to the community beyond Ash Field's gates• A plan is in place to show how access to the community can be achieved for a wider range of pupils
To assess the risk and benefits of allowing social media use	<ul style="list-style-type: none">• The benefits of allowing pupils or groups of pupils to use social media when in Resi will be identified• The risks of allowing pupils or groups of pupils to use social media when in Resi will be identified• A full evaluation of pupils' understanding of e-safety will allow managers to understand how much this mitigates the risk(s)• A risk/benefit analysis will be carried out to conclude the approach that will be taken
To develop even more positive attitudes towards eating	<ul style="list-style-type: none">• All staff gain an understanding as to why pupils may develop negative attitudes towards eating• All staff gain an understanding as to the strategies that can support positive attitudes towards eating• Appropriate and effective strategies are implemented to support positive attitudes towards eating

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

c. Public benefit

Activities undertaken to further the academy trust's purposes for the public benefit:

Training, Placements and Support: The Inclusion and SEND Hub (iSENDHub) provides training, placements and school to school support for a range of professionals and students. Courses can range from half day 'top-ups' for Moving and Handling to regular input on accredited courses and as part of Initial Teacher Training or National Professional Qualifications. We have made positive links with the new local Teaching School Hubs and continue to work as named partners with them to ensure excellent specialist training and development for delegates in relation to Special Educational Needs and Disabilities (SEND) and inclusion.

Assistive Technology: From August 2021 to April 2022, Leicester City LA commissioned assessment of pupils in other schools, mostly mainstream, to enable their curriculum access through the use of technology. Following assessment, we install the equipment, train the staff and pupils and offer on-going advice and support. The key objective this year was to ensure our Assistive Technology Assessment Centre was meeting the aims of Leicester City Council Local Authority and therefore supporting pupils across Leicester City to access the Assistive Technology they need.

SEND reviews: The iSENDHub has developed a programme of SEND reviews for schools within Leicester as identified by the local authority.

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission, 'Charities and Public Benefit,' in exercising their powers or duties. In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

a. Significant changes in 2021-22

- As a specialist school for pupils with complex medical needs, we continued to need to protect pupils vulnerable to COVID-19, particularly during the winter period; however, we moved back towards normal practices during the year.
- The Principal resigned as a member and a new member was appointed to ensure compliance with the Academy Trust Handbook.
- Updated Articles of Association and Funding Agreement approved in August 2022 and July 2022 respectively.

Leadership

The senior leadership team and wider leadership team remained consistent throughout the year and all have worked on developing the areas they oversee.

A site manager and human resources manager were appointed to allow a more distinct finance role for the school business manager. These roles have proved to be very successful in both ensuring compliance and supporting staff and pupils even more effectively.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

b. Achievements and Performance

Improvement and Development

We have continued to strive for all pupils to make as much progress as they possibly can by offering them a personalised, relevant curriculum. Our Covid recovery has continued with teachers carefully assessing pupils and ensuring progression from these revised starting points. Additional funding in this area has been used to compliment the in class teaching in a variety of ways and has had a positive impact on progress.

The curriculum has been effectively developed over recent years, with the Early Years', Blue and Green Pathway being successfully implemented and embedded. The Yellow Pathway has continued to be a focus: embedding the new curriculum for these pupils whilst developing teachers' pedagogy, particularly in reading and mathematics. As part of our work on reading, we have moved to a single phonics scheme: Phonics for pupils with Special Educational Needs. Through our careful research, we are confident that this will be the right programme for our pupils moving forward and further training and embedding of this scheme will take place next year as reading continues to be a priority. We have also ensured that our approaches for emergent (rather than conventional) readers have been reviewed and we are developing this aspect of our provision further as well. We are confident in both the steps taken to date and our plans for progressing this further.

Staff well-being has continued to be a focus, returning from a focus on support through the pandemic to our original aims, as a School Improvement Plan priority Staff training and meetings as class groups has been of particular benefit and staff speak very positively about this time together. In addition, staff feel much more confident approaching the best person to support them in particular situations following training and information.

Parent partnership has been strengthened even further and our recent parent survey was particularly positive as a result. Universal as well as individual approaches have led to positive outcomes, particularly in relation to communication, managing concerns and working in partnership.

The wider leadership team, who oversee aspects of the curriculum, continues to develop. Their quality assurance work follows an embedded approach and their impact review sessions always impress, showing the dedication of each member of the team to develop their area even further.

External Evaluation and Quality Assurance

Ofsted graded the provision of both the day school and residential in all areas as Outstanding in all areas in our most recent inspections, November 2017 and January 2022 respectively. Pupil progress in both the day and residential setting was considered to be excellent by both Ofsted and our Challenge Partners reviews.

The academy commissioned an external review of governance from the National Governors Association (NGA) which concluded in July 2022 and were very pleased with the feedback report in which it was noted that the majority of areas were highly effective, with all being effective.

The Challenge Partners Quality Assurance Review November 2021 graded the school as Leading. The review and subsequent report was extremely positive.

The school received a visit from a Schools Resources Management Advisor (SRMA) due to the school's previous successful Condition Improvement Fund (CIF) bid. The feedback and resulting report (29th October 2021) were both very positive.

The academy has been awarded a Gold Sports and a Gold Arts mark.

The academy worked with Specialist Leaders in Education in both maths and reading to ensure provision is

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

accurately evaluated and improvements, where needed, made.

The external Health and Safety Audit (14th September 2021) demonstrated the school's compliance with expectations.

Keeping Children Safe

Our procedures for keeping children safe and protecting them from harm are robust and effective and this continued despite the pandemic. This was identified as strong within the Residential Ofsted Social Care Inspection, as well as the Single Central Record audit by Leicester City Council Human Resources. Our procedures were strengthened as a result of staff training, ongoing monitoring of staff understanding, the use of an effective online monitoring system, weekly supervisions for phase leaders and the deputy principal (who manage cases), and DSL reviews in line with well-researched approaches. The commissioning of a five day package of Family Support Worker support through the Early Help team of Leicester City Council has strengthened this further.

Inclusion and Special Education Needs and Disabilities Hub (iSEND Hub)

Our iSEND Hub work continues to support pupils beyond our doors and we are pleased that we will be able to continue this in partnership with two teaching school hubs. We have continued to work with Leicester City Local Authority, Universities, other specialist hubs, various national groups and mainstream settings. Evaluations were again very positive in relation to our contribution to Initial Teacher Training and National Professional Qualifications. Our work within this programme has increased, particularly in relation to the delivery of training around SEND but also safeguarding, and trustees have invested in the hub to allow further growth.

c. Key performance indicators

The trustees have reviewed the Key Performance Indicators (KPIs) throughout the year, using benchmarking exercises to support discussions. The findings have remained similar to the previous year.

Staff costs sit within the expected level as a proportion of overall spend.

Spend on teaching staff remains in the lowest 10% in the School Resources Management benchmarking model. However, review shows that numbers in classes are broadly seen as average and teacher salaries remain above those of maintained schools. The use of specialist practitioners and therapists to best meet the needs of pupils means that a relatively low figure here is understood and not of concern. Spend on support staff, on the other hand, is deemed to be relatively high, in the top 10%; however, this can be explained when the schools compared are considered as our pupils' very complex physical, medical and health needs, combined with their cognitive and communication difficulties require significant levels of support throughout the day. This also explains why the pupil to adult ratio is low.

Proportion of budget spent on leadership is in line with similar schools in benchmarking. This is despite a residential facility and teaching school which require increased leadership capacity. There are therefore no concerns regarding this.

We intend to review our KPIs once the Institute of School Business Leadership (ISBL) Tool aimed at special schools is published, alongside the recommendations from the SRMA.

ASH FIELD 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. Going concern

After making appropriate enquires, the trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

In reaching this decision the trustees considered the following key factors:

- Level of reserves and continued planning work undertaken this year- to both review and monitor the level of reserves to be held and planning in line with our strategic objectives.
- Pupil numbers – to monitor higher leaver numbers in future years and to implement plans, as much as possible, to over-admit to mitigate associated risks
- Leicester City Council High Needs Block funding review – this is a key risk to the academy funding for both the day school and residential provision.

These issues have been considered in detail throughout the year, primarily at the Resources, Audit and Risk committee meetings, reporting back to the full governing board meetings. The latter two factors above are key risks to the academy and are identified as priorities in the Risk Register and Action Plan.

Further information about each of these key factors is detailed in other sections of this report.

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

e. Promoting the Success of the Company

The trustees recognise their strategic role in promoting the success of the academy in accordance with section 172(1) of the Companies Act 2006.

Trustees are assigned to a number of areas to ensure they have oversight of them, allowing them to both challenge and support school leaders. They maintain a strategic focus on the criteria for success of each area. These areas include a link governor for each of the identified improvement areas in the school improvement plan; safeguarding, including Looked After Children, attendance and behaviour; pupil premium and Covid related funding use; teaching and learning; health and safety (of both children and staff); the residential provision; iSEND Hub; and careers and enterprise..

Furthermore, trustees engage in the life of the school and remain committed to the academy. The Chair of Trustees was asked to take part as a guest speaker in a 'Leveraging Technology in schools and governance' session at the Governors for Schools 2021 conference in September 2021.

Financial review

Most of the academy's income is obtained from the Local Authorities' High Needs Block (particularly Leicester City Council) and the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from Local Authorities and the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, the Academy received total funding of £5,994,749 compared to total resources expended of £7,097,314.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Whilst the academy maintains a strong financial position due to its reserves, the academy has run an in-year deficit budget this year (2021-22) and is currently forecast to have an in-year deficit budget next year (2022-23). This year's in-year deficit was largely due the result of delays in spend during the period of lockdowns and greater restrictions with Covid-19 in the previous two years where the academy had a significant in-year surplus, as noted in last year's report. As expected, this money has been spent and has ensured pupils' progress is maximised; that they are able to have the experiences that they had missed out on; and that improvements and maintenance work of the premises have taken place. Next year, the additional expenditure relates to a large planned capital spend to improve our Information Communication Technology (ICT) infrastructure, and to ensure the needs of pupils are met while we await the outcome of a funding review by Leicester City Council in relation to the high needs block. Although reserves can cover this, the trustees are currently undertaking budget planning to address this in future years.

a. Reserves policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams. In general, the trustees consider it prudent to maintain a level of useable reserves sufficient to cover unexpected and unplanned events so that the school's primary objectives are preserved. At the same time, the academy wishes to ensure that it uses its funding to benefit the pupils in its care, which implies an imperative to consider actively the use of reserves to enhance educational provision. Therefore, any reserves over the level given below, will be used to fund expenditure related to the academy's strategic long-term aims and developments in line with the strategic plan. The trustees note that the ESFA will report to DfE any trusts where it has serious concerns about a long-term substantial surplus with no clear plans for its use.

The trustees will ensure that reserves remain above the equivalent of two month's staff salary costs and up to the equivalent of three month's staff salary costs.

The 2021/22 average months' salary bill used in determining the policy was £390,346 and therefore the reserves will be maintained at a level between £780,691 and £1,171,037. Spend will consider short-, medium- and longer-term plans and the school will budget appropriately to ensure the reserves remain above the lowest agreed level (2 months' salary bill).

Any reserves accumulated from any restricted funding streams for example Pupil Premium, will be used solely for the purpose they are intended for and in line with any conditions of grant.

The reserves beyond this are currently held for the following reasons:

- To cover future recurring expenditure in the event of funding being disrupted, particularly in relation to staff salaries
- To mitigate risks in relation to pupil numbers (see below) requiring the academy to retain a level of reserves as a contingency were there to be a period where pupil numbers were lower due to a large group of leavers within the next five years
- To mitigate risks in relation to the Local Authority funding review
- To support the strategic plan, including the development and improvement of the school's infrastructure

The amount of unrestricted reserves: £412,183.

The amount of restricted reserves that are available for the general purposes of the Trust subject to restrictions imposed under the terms of each funding stream:

GAG: £2,315,435.

The amount of funds that can only be realised by disposing of fixed assets (e.g. value of fixed asset fund):

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

£7,677,430,

The amount of reserves in deficit (Pension deficit and any others): £532,000.

The academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the academy which is to be spent at the trustees' discretion in furtherance of any of the academy's objects but which is not yet spent, committed or designated.

The level of free reserves at 31 August 2022 is £2,727,618.

b. Investment policy

An investment policy is in place and has been ratified by trustees. There are currently no investments other than bank deposits held.

c. Principal risks and uncertainties

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy and its finances. The trustees have implemented a number of systems to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching and learning, safeguarding, health and safety and school visits) and in relation to the control of finance.

They have embedded systems and adapted them where needed, including operational procedures (e.g. vetting of new staff and visitors, supervision of pupils) and internal financial controls, in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls.

Based on the strategic plan, the Resources, Audit and Risk Committee, in its role as the Risk Management Committee, undertakes a comprehensive review of the risks to which the academy is exposed. The Committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the academy.

The internal controls for managing risks deemed as medium and high are incorporated into annual risk management action planning. The effectiveness of the academy's internal controls in managing the risks identified is regularly monitored.

A thorough appraisal is undertaken in the subsequent year of the existing risks and any emerging risks, for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Risk Management Committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the academy.

A risk register, covering low, medium and high-level risks, is maintained at academy level and is reviewed and approved annually by the governing body, and monitored at each Resources, Audit and Risk committee meeting. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. The academy has received further support and training in relation to risk management to ensure best practice and the risk register has been noted to be effective by internal audit. Not all factors, however, are within the academy's control and other factors besides those listed may also adversely affect the academy.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Below are the key risks facing the academy:

1: Government or Local Authority adjustments in funding

The academy has considerable reliance on continued government funding through the Education & Skills Funding Agency (ESFA) and the Local Authority.

As a specialist academy, a significant proportion of the academy's funds comes from the Local Authority. Since September 2021, Leicester City Local Authority (LA) have been carrying out a funding review of the trust in relation to the High Needs Block. During the year 2020-21, the LA completed their review of the six maintained special schools. The potential loss of funding presents a significant risk to the academy.

In addition, since the review has started, increases in funding for our pupils where their needs are increasing, mainly due to degenerative conditions, have generally not been approved by the local authority. These pupils require additional provision in order to meet their needs, however, and so a funding gap is developing.

The risk has and will be mitigated in a number of ways:

- Focus is placed on maintaining and managing key relationships with the various funding bodies
- The academy's funding is based on a pupil banding system which ensures more funding for more complex needs
- Case studies created to demonstrate the needs of pupils on different bands of the funding system
- Internal and external moderation of pupils' need for in class support
- Legal advice obtained to gain an understanding of our legal position in relation to any potential funding reductions to meet pupil needs
- Evidence base created to demonstrate the costs associated with meeting the health care needs of pupils, to ensure funding is appropriately distributed between the LA and Clinical Commissioning Group (CCG) in line with Annex 3 of the High Needs Block Funding guidance
- Attendance at meetings between Health and the LA in relation to funding of special schools where invited
- Continued membership of Medicines in Specialist Schools to ensure current knowledge and understanding of the complexities regarding funding of pupils with medical needs within special schools
- Ensuring residential costs are known and an evidence base allows the benefits to pupils to be understood by external review
- Contingency planning embedded into the academy budget process
- Planning meetings scheduled to ensure a strategic approach to the funding gap

2. Pupil Numbers and Associated Risk to Funding

There are year groups in the next five years where there are a large number of leavers and the academy may be in a position of fewer pupils for a short period. The highest demand for places locally is for pupils with Social, Emotional and Mental Health (SEMH) needs, and those with complex autism. Due to the vulnerability of our pupils with medical and physical needs, the academy is unable to meet the needs of these pupils. However, demand for places at the academy appears to still be higher than the number of places currently available.

Agreement has now been gained to allow the academy to oversubscribe while demand for places is higher than pupil leavers. This will help to mitigate the risk of numbers falling below 160 pupils for the majority of years, although there is a limit to the academy's capacity.

The academy seeks to maintain its popularity with current and prospective pupils by:

- Ensuring the academy delivers high quality, personalised education and training which meets the pupils' needs in accordance with their Education, Health and Care Plans
- Ensuring the complex medical needs of pupils continue to be met through the delivery of a high quality health care team

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

- Maintaining outstanding success rates and good inspection outcomes and
- Investing in its teaching and support staff and resources

With ongoing commitment to quality, the academy now provides market-leading learning environments, highly trained and effective staff, specialist resources and a curriculum that has gained national interest. This places the academy in an excellent position to attract new pupils.

The academy will further mitigate the risk by:

- Engaging with projections when they are shared by the local authority in September 2022 and ensuring demand for places for pupils with similar needs to our cohort remains at least equal to current demand
- Continued discussions with the LA regarding places
- Continuing to attend the Special School Placement Panel meetings
- Working with the LA and CCG to ensure funding allows us to continue to meet the needs of pupils with the most complex health needs and
- Retention of reserves to ensure any temporary fall in funding can be managed.

3. Level of annual pay award (support staff and teachers) - for 2022/23 this will be significantly in excess of the percentage included within budget planning, and will therefore continue to impact on 2022/23 and future years, particularly as some or all of this will be unfunded.

The academy is currently undertaking a budget planning exercise in relation to how this will be managed

4. Difficulties in recruitment of members who are independent from trustees and are not members of staff

There is an increasing expectation that members will be more independent from trustees, and whilst it is recognised that a minority of members who are also trustees is acceptable, and potentially beneficial, the majority should not be.

Last year, we were able to recruit a member in May 2021 and he replaced the principal as member. A further member was recruited in July 2022. This means that we now have two members who are independent from trustees and two who are also trustees. This risk is therefore reducing.

The members continue to seek advice and advertise the position of member with the intention of appointing additional members. However, this is proving to be very challenging when combined with the need to ensure there is no conflict of interest. In the medium-term, our intention is for trustees who wish to reduce their time commitment to the academy but who still wish to support the academy and have the skill set to do so, to be appointed to the role of member when they resign as a trustee.

5. Difficulties in succession planning for the Chair of Trustees role, in particular

The expectations placed on the Chair of Trustees in a single academy trust is significant. The role is vital to the academy and governing body. Our current Chair of Trustees has been Chair for 8 years, and is now planning to step down from this role once a new chair can be identified. Currently, no members of the board of trustees wish to fill this role. The nature of the school adds to the difficulties in recruiting trustees, and particularly a Chair.

The academy will be advertising the role in September 2022.

We commissioned the external review of governance to assist our considerations of our next stage of development as a board.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

Fundraising

The school considers different approaches to fundraising to support our financial position, conforming to recognised standards. The academy trust does not, however, use any external fundraisers and all fundraising undertaken during the year was monitored by the trustees.

We always ensure protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Streamlined energy and carbon reporting

The trust is not defined as a large company.

Plans for future periods

In summary the key elements are:

- Further development of effective governance through the recruitment of additional trustees, including a Chair, and independent members
- Implementation of the five-year strategic plan
- Implementation of the school improvement plan
- Implementation of the residential improvement plan
- Implementation of the Inclusion and SEND Hub Improvement plan
- Improve ICT Infrastructure, including networking.

Funds held as custodian on behalf of others

The Trust does not hold any funds as custodian trustee.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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 _____ and signed on its behalf by:



.....
Ms Kathy Inskip
Chair of Trustees

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Ash Field 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 Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Ash Field Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

The trustees continue to set the strategic direction of the trust; hold the principal and senior leadership to account; and oversee the trust's financial performance.

The management reports provided to the board have been reviewed by the board and changes made to ensure they are more meaningful and support the board's discussions. External parties also reviewed these reports and feedback was acted upon. The board also receive reports from the principal and other senior and wider leaders to support their understanding of the academy's position, including the Internal Scrutiny Monitoring tool to ensure trustees are aware of the progress of any improvement actions in relation to the audits completed by external parties and the risk register and action plan. Monitoring by trustees has shown this information to be accurate.

Conflicts of Interest

The trust manages conflicts of interests carefully. Procedures are detailed in a Conflict of Interest policy which is ratified annually by the board of trustees, along with a Code of Conduct for Trustees. A complete register of interests is kept up to date by the governance professional. At each meeting, trustees are asked to declare any conflict of interests in relation to the agenda items. The information ensures appropriate action is taken, if necessary, at meetings; for example, the prevention of a trustee voting where there is a conflict.

The academy does not have any control of any subsidiaries, joint ventures or associates.

Meetings

The trustees have formally met as a full board six times during the year, excluding the Annual General Meeting. There have been no substantial changes to the composition of the board of trustees, although this will occur when the new Articles of Association come into place next year.

The Resources, Audit and Risk Committee is the only additional committee and have met five times during the year.

The board therefore meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

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

Trustee	Meetings attended	Out of a possible
Mrs Penny Allsopp, Trustee	2	6
Mr Allan Dunsmore, Vice Chair	4	6
Mrs Jennifer Eshelby, Principal	6	6
Ms Susanne Francis, Trustee	6	6
Miss Catherine Gough, Trustee	6	6
Ms Kathy Inskip, Chair of Trustees	6	6
Mr Rupert Mingay, Trustee	5	6
Mr Charles Moore, Trustee	6	6
Dr Rachel Roberts-Straub, Trustee	5	6
Dr Daniel Slavin, Trustee	4	5

The Resources, Audit and Risk Committee are the only additional committee and have met five times during the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Ms Kathy Inskip, Chair of Trustees	5	5
Mr Allan Dunsmore, Vice Chair of Trustees	4	5
Mrs Jennifer Eshelby, Principal	5	5
Mr Rupert Mingay	4	5
Ms Susanne Francis	5	5

Governance reviews

The academy trust chose to commission an external review of governance, which was completed in June 2022 and was very positive. The board will now be acting on the feedback provided in the final report of July 2022. In addition, the trust reviewed the effectiveness of the board by carrying out an annual skills' audit of the individual trustees in September 2021. This has provided valuable information with regard to training needs and informed our recruitment of new trustees. In addition, governance compliance against the Academy Trust Handbook has been reviewed and monitored. There remains a wide range of experience amongst the board across covering the board's key objectives. The board is effective.

Review of value for money

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

The accounting officer considers how the academy trust's use of its resource 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 or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year as detailed below.

This year we have reviewed various aspects in relation to value for money. This includes the following:

- the use of DfE frameworks to consider value for money for various elements e.g. waste management and ipads for pupil use
- a tendering exercise for our external audit is being planned for 2022-23

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- a tendering exercise for the planned improvements to the ICT infrastructure
- a review of energy bills and a change to the contract as a result
- value for money exercises were completed for the sensory rooms
- ensuring value for money is considered by all budget holders, particularly for spends greater than £1000
- embedding a new finance system to align budgets with actual spend, reducing workload and increasing ability to monitor budgets more closely
- appointing a site and human resources manager to ensure the school business manager role can focus on the role of the Chief Financial Officer

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 ongoing 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 Ash Field Academy Trust for the period 01 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 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 Trustees' Report
- regular reviews by the Resources and Audit 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 Board of Trustees has decided to employ Bishop Fleming as internal auditor.

In line with the FRC Ethical Standard for auditors, the board of trustees has considered the need for a specific internal audit function and has appointed Bishop Fleming as their internal auditor.

The internal auditor's role includes giving advice on financial matters and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- compliance
- budget and financial monitoring
- income

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- payroll
- bank and petty cash
- expenditure
- credit card
- fixed assets
- governance and regularity
- strategic and operational review

On a termly basis, the auditor reports to the trustees, through a report shared with the Resources, Audit and Risk Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The summary report outlines the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The reports were very positive and suggested highly effective systems and procedures are in place. Where there were any actions, the academy ensures a plan is created and regularly monitored and reviewed so that financial control measures continue to be improved.

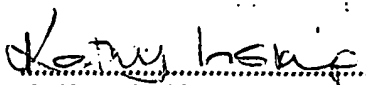
Review of effectiveness

As accounting officer, the Principal 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
- use of the School Resources Management dashboard and other benchmarking information
- meetings with an ESFA operational delivery lead
- the work of those staff within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources, Audit and Risk Committee and a plan to address areas for development 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:



Ms Kathy Inskip
Chair of Trustees
Date:



Mrs Jennifer Eshelby
Accounting Officer

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Ash Field Academy Trust I have considered my responsibility to notify the academy trust governing body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 Governing Body are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the Academy trust's funding agreement and the Academy Trust Handbook 2021.

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

J Eshelby

Mrs Jennifer Eshelby
Accounting Officer
Date: 09/12/22

ASH FIELD 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:

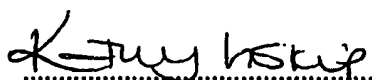
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:



Ms Kathy Inskip
Chair of Trustees

Date: 09.12.22

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASH
FIELD ACADEMY TRUST**

Opinion

We have audited the financial statements of Ash Field 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 the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the 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 the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASH
FIELD ACADEMY TRUST (CONTINUED)**

Other Information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASH
FIELD ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other management obtained as part of the work required by auditing standards. We have also discussed with the Directors and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. Firstly, the company is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. This included the identification and testing of unusual material journal entries and challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.

Secondly, the academy is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Ofsted rating, Health & Safety Law, HR & minimum wage law, Company Law, compliance with the Funding agreement, compliance with the Academy Trust Handbook and the completion of DBS checks.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection. We have performed audit work through enquiries with management regarding any non-compliance and reviewed all available information to assess whether any breaches have been found. Through these procedures, if we became aware of any non-

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASH
FIELD ACADEMY TRUST (CONTINUED)**

compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditors' report.

Use of our 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alistair Main FCA (Senior statutory auditor)
for and on behalf of
Duncan and Toplis Limited
Chartered Accountants and Statutory Auditors
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 13th December 2022

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASH FIELD
ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 22 September 2021 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 Ash Field 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 Ash Field Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ash Field 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 Ash Field Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Ash Field Academy Trust's accounting officer and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 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.

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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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



Alistair Main FCA (Reporting Accountant)
Duncan and Toplis Limited
Chartered Accountants and Statutory Auditors
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 13th December 2022

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	-	-	12,049	12,049	12,077
Other trading activities		1,528	9,993	-	11,521	9,992
Investments	6	293	-	-	293	320
Funding for the Academy's educational operations		-	5,970,886	-	5,970,886	6,155,141
Total income		1,821	5,980,879	12,049	5,994,749	6,177,530
Expenditure on:						
Funding for the Academy's educational operations		-	6,853,770	243,544	7,097,314	6,289,536
Total expenditure		-	6,853,770	243,544	7,097,314	6,289,536
Net income/(expenditure)		1,821	(872,891)	(231,495)	(1,102,565)	(112,006)
Transfers between funds	16	(12,804)	(398,352)	411,156	-	-
Net movement in funds before other recognised gains/(losses)		(10,983)	(1,271,243)	179,661	(1,102,565)	(112,006)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	8,194,000	-	8,194,000	(1,640,000)
Net movement in funds		(10,983)	6,922,757	179,661	7,091,435	(1,752,006)

ASH FIELD 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 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Note					
Reconciliation of funds:					
Total funds brought forward	423,166	(5,139,322)	7,497,769	2,781,613	4,533,619
Net movement in funds	(10,983)	6,922,757	179,661	7,091,435	(1,752,006)
Total funds carried forward	412,183	1,783,435	7,677,430	9,873,048	2,781,613

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07988444

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	13		7,677,430		7,487,790
Current assets					
Debtors	14	68,238		193,653	
Cash at bank and in hand		3,006,555		2,971,374	
Liabilities		3,074,793		3,165,027	
Creditors: amounts falling due within one year	15	(347,175)		(210,204)	
Net current assets			2,727,618		2,954,823
Total assets less current liabilities			10,405,048		10,442,613
Net assets excluding pension liability			10,405,048		10,442,613
Defined benefit pension scheme liability	24	(532,000)		(7,661,000)	
Total net assets			9,873,048		2,781,613
Funds of the academy trust					
Restricted funds:					
Fixed asset funds	16	7,677,430		7,497,769	
Restricted income funds	16	2,315,435		2,521,678	
Restricted funds excluding pension liability	16	9,992,865		10,019,447	
Pension reserve	16	(532,000)		(7,661,000)	
Total restricted funds	16		9,460,865		2,358,447
Unrestricted income funds	16		412,183		423,166
Total funds			9,873,048		2,781,613

The financial statements on pages 32 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Ms Kathy Inskip
Chair of Trustees

Date: 09.12.2022

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	18	456,023	903,549
Cash flows from investing activities	19	(420,842)	(132,526)
Change in cash and cash equivalents in the year		35,181	771,023
Cash and cash equivalents at the beginning of the year		2,971,374	2,200,351
Cash and cash equivalents at the end of the year	20, 21	<u>3,006,555</u>	<u>2,971,374</u>

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

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.

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.

- **Sponsorship income**

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

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **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.

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £5,000 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:

Long-term leasehold property	- 2% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 20% straight line
Motor vehicles	- 20% straight line

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Liabilities

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

1.9 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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement 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 14. Prepayments are not financial instruments.

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

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

1.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.12 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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.13 Agency arrangements

The academy trust acts as an agent in distributing 16 - 19 bursary funds from ESFA. The trust can use an element of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes.

1.14 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.

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

ASH FIELD 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 £	Total funds 2022 £	Total funds 2021 £
Capital Grants	12,049	12,049	12,077

ASH FIELD 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 charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Funding for the academy trust's educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	1,600,600	1,600,600	1,583,765
Other DfE/ESFA grants			
Pupil Premium	67,629	67,629	78,788
Other DfE/ESFA Revenue grants	18,522	18,522	16,760
Universal infant free school meals	8,857	8,857	7,689
Teachers pay and pension grants	-	-	39,156
	<u>1,695,608</u>	<u>1,695,608</u>	<u>1,726,158</u>
Other Government grants			
Other local authority revenue grants	105,600	105,600	64,969
SEN 1-1 Funding	4,060,829	4,060,829	4,219,354
	<u>4,166,429</u>	<u>4,166,429</u>	<u>4,284,323</u>
Other income from the academy trust's funding for the academy trust's educational operations	826	826	5,000
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	42,686	42,686	45,800
	<u>42,686</u>	<u>42,686</u>	<u>45,800</u>
COVID-19 additional funding (non-DfE/ESFA)			
COVID-19 Mass Testing	-	-	34,110
	<u>-</u>	<u>-</u>	<u>34,110</u>
	<u>5,905,549</u>	<u>5,905,549</u>	<u>6,095,391</u>
Teaching school hub			
Other income	65,337	65,337	59,750
	<u>5,970,886</u>	<u>5,970,886</u>	<u>6,155,141</u>

The Academy received £42,686 (2021 - £45,800) of funding for COVID-19 Catch up Premium and costs incurred in respect of this funding totalled £57,114 (2021 - £31,372), with £Nil (2021 - £14,428) to be spent in 2022/23.

The Academy received £Nil (2021 - £34,110) of funding for COVID-19 Mass Testing and costs incurred

ASH FIELD 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 charitable activities (continued)

in respect of this funding totalled £Nil (2021 - £35,180). Unrestricted funds have been used to cover the overspend of £Nil (2021 - £1,070).

5. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Catering income	-	9,993	9,993	7,981
Other income - facilities and services	1,528	-	1,528	2,011
	<u>1,528</u>	<u>9,993</u>	<u>11,521</u>	<u>9,992</u>
<i>Total 2021</i>	<u>2,011</u>	<u>7,981</u>	<u>9,992</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank account interest	293	293	320
	<u>293</u>	<u>293</u>	<u>320</u>

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Funding for the academy trust's educational operations:					
Direct costs	4,257,949	163,954	531,058	4,952,961	4,185,121
Allocated support costs	1,332,920	342,595	452,871	2,128,386	2,046,904
Direct costs - Teaching school hub:					
Direct costs	-	-	-	-	51,264
Allocated support costs	-	-	15,967	15,967	6,247
	<u>5,590,869</u>	<u>506,549</u>	<u>999,896</u>	<u>7,097,314</u>	<u>6,289,536</u>
Total 2021	<u>4,832,381</u>	<u>682,503</u>	<u>774,652</u>	<u>6,289,536</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Funding for the academy trust's educational operations	4,952,961	2,128,386	7,081,347	6,232,025
Direct costs - Teaching school hub	-	15,967	15,967	57,511
	<u>4,952,961</u>	<u>2,144,353</u>	<u>7,097,314</u>	<u>6,289,536</u>
Total 2021	<u>4,236,385</u>	<u>2,053,151</u>	<u>6,289,536</u>	

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Funding for the academy trust's educational operations 2022 £	Teaching school hub 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	4,257,949	-	4,257,949	3,752,090
Depreciation	243,544	-	243,544	235,771
Educational supplies	36,073	-	36,073	74,434
Technology costs	42,815	-	42,815	16,884
Staff development	66,009	-	66,009	28,046
Educational consultancy	286,374	-	286,374	125,083
Other costs	20,197	-	20,197	4,077
	<u>4,952,961</u>	<u>-</u>	<u>4,952,961</u>	<u>4,185,121</u>
Total 2021	<u><u>4,185,121</u></u>	<u><u>51,264</u></u>	<u><u>4,236,385</u></u>	

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Funding for the academy trust's educational operations 2022 £	Teaching school hub 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,332,920	-	1,332,920	1,080,291
Educational supplies	-	15,967	15,967	6,247
Technology costs	54,989	-	54,989	42,418
Maintenance of premises and equipment	165,327	-	165,327	99,857
Cleaning	118,534	-	118,534	124,399
Rent and rates	7,437	-	7,437	7,347
Energy costs	51,297	-	51,297	26,995
Insurance	25,043	-	25,043	41,158
Transport	19,896	-	19,896	14,310
Telephone, postage and stationery	22,943	-	22,943	50,030
Catering	71,464	-	71,464	78,757
Other costs	155,104	-	155,104	378,342
Bank interest and charges	389	-	389	603
Operating leases - other	31,436	-	31,436	9,489
Auditors' remuneration	25,387	-	25,387	24,498
Professional fees	46,220	-	46,220	68,410
	<u>2,128,386</u>	<u>15,967</u>	<u>2,144,353</u>	<u>2,046,904</u>
Total 2021	<u><u>2,046,904</u></u>	<u><u>6,247</u></u>	<u><u>2,053,151</u></u>	

During the year ended 31 August 2022, the Academy incurred the following Governance costs:

£71,607 (2021 - £92,908) included within the table above in respect of Funding for the academy trust's educational operations.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

9. Net Income/(expenditure)

Net Income/(expenditure) for the year includes:

	2022	2021
	£	£
Operating lease rentals	31,436	9,489
Depreciation	243,544	235,771
Internal auditor - internal scrutiny costs	4,750	2,250
Fees paid to external auditors for:		
- audit	13,450	11,400
- other services	7,187	10,848

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	3,493,835	3,252,814
Social security costs	287,633	250,237
Pension costs	1,665,725	1,212,200
	<u>5,447,193</u>	<u>4,715,251</u>
Agency staff costs	140,676	107,824
Staff restructuring costs	3,000	9,306
	<u><u>5,590,869</u></u>	<u><u>4,832,381</u></u>

Staff restructuring costs comprise:

	2022 £	2021 £
Severance payments	3,000	9,306
	<u><u>3,000</u></u>	<u><u>9,306</u></u>

b. Severance payments

The academy trust paid 1 severance payment in the year (2021 - 1), disclosed in the following bands:

	2022 No.	2021 No.
£0 - £25,000	<u><u>1</u></u>	<u><u>1</u></u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £3,000 (2021: £6,204).

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

10. 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.
Management	1	1
Teaching	27	24
Administration and support	145	156
	<u>173</u>	<u>181</u>

The average headcount expressed as full-time equivalents was:

	2022 No.	2021 No.
Management	1	1
Teaching	23	22
Administration and support	129	134
	<u>153</u>	<u>157</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	1	1
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

f. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £449,618 (2021 £477,023).

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
Miss Catherine Gough, Trustee	Remuneration	40,000 -	40,000 -
		45,000	45,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mrs Jennifer Eshelby, Principal	Remuneration	95,000 -	95,000 -
		100,000	100,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000

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

12. Trustees' and Officers' Insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2022 was £170 (2021 - £170). The cost of this insurance is included in the total insurance cost.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2021	8,678,013	501,680	123,057	36,649	9,339,399
Additions	86,245	160,912	186,025	-	433,182
At 31 August 2022	8,764,258	662,592	309,082	36,649	9,772,581
Depreciation					
At 1 September 2021	1,325,573	401,829	94,887	29,320	1,851,609
Charge for the year	163,954	51,438	20,821	7,329	243,542
At 31 August 2022	1,489,527	453,267	115,708	36,649	2,095,151
Net book value					
At 31 August 2022	7,274,731	209,325	193,374	-	7,677,430
At 31 August 2021	7,352,440	99,851	28,170	7,329	7,487,790

Included in leasehold property is land valued at £483,000 (2021: £483,000) which is not depreciated.

The lease for the leasehold property has not yet been finalised with Leicester City Council. It is valued at an amount provided by the ESFA at the point of conversion to an academy. The intention of both parties was that a long term lease should have been signed at this time. It is leased for peppercorn rent.

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	16,898	135,182
Other debtors	1,050	-
Prepayments and accrued income	26,270	24,754
VAT recoverable	24,020	33,717
	<u>68,238</u>	<u>193,653</u>

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,381	39,068
Other taxation and social security	48,114	62,357
Other creditors	84,711	78,583
Accruals and deferred income	212,969	30,196
	<u>347,175</u>	<u>210,204</u>
	2022 £	2021 £
Deferred income at 1 September 2021	1,557	3,496
Resources deferred during the year	1,737	1,557
Amounts released from previous periods	(1,557)	(3,496)
	<u>1,737</u>	<u>1,557</u>

Deferred income relates to free school meals received which relate to the year ended 31 August 2023.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

16. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	423,166	1,821	-	(12,804)	-	412,183
Restricted general funds						
GAG	1,924,161	1,600,600	(867,583)	(341,743)	-	2,315,435
Other grants - ESFA	62,603	27,379	(89,982)	-	-	-
Pupil Premium	34,505	67,629	(102,134)	-	-	-
Other grants - local authority	189,665	4,166,424	(4,356,089)	-	-	-
Other income	289,077	10,824	(299,901)	-	-	-
Teaching school hub	2,239	65,337	(15,967)	(51,609)	-	-
Other grants	5,000	-	-	(5,000)	-	-
COVID-19 Catch Up Premium	14,428	42,686	(57,114)	-	-	-
Pension reserve	(7,661,000)	-	(1,065,000)	-	8,194,000	(532,000)
	<u>(5,139,322)</u>	<u>5,980,879</u>	<u>(6,853,770)</u>	<u>(398,352)</u>	<u>8,194,000</u>	<u>1,783,435</u>
Restricted fixed asset funds						
DfE Group capital grants	800,094	12,049	(21,698)	-	-	790,445
Other capital grants	201,430	-	-	-	-	201,430
Capital expenditure from GAG	903,275	-	(95,676)	411,156	-	1,218,755
Capital expenditure included in other income	5,592,970	-	(126,170)	-	-	5,466,800

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
	<u>7,497,769</u>	<u>12,049</u>	<u>(243,544)</u>	<u>411,156</u>	<u>-</u>	<u>7,677,430</u>
Total Restricted funds	<u>2,358,447</u>	<u>5,992,928</u>	<u>(7,097,314)</u>	<u>12,804</u>	<u>8,194,000</u>	<u>9,460,865</u>
Total funds	<u><u>2,781,613</u></u>	<u><u>5,994,749</u></u>	<u><u>(7,097,314)</u></u>	<u><u>-</u></u>	<u><u>8,194,000</u></u>	<u><u>9,873,048</u></u>

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE / ESFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education for pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupil's education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £1,065,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £8,194,000 actuarial decrease in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	421,905	2,331	-	(1,070)	-	423,166
Restricted general funds						
GAG	1,522,612	1,590,936	(1,044,464)	(144,923)	-	1,924,161
Other grants - ESFA	38,753	63,605	(39,755)	-	-	62,603
Pupil Premium	23,366	78,788	(67,649)	-	-	34,505
Other grants - local authority	11,249	4,277,152	(4,110,811)	12,075	-	189,665
Other income	282,765	7,981	(1,669)	-	-	289,077
DfE Group capital grants	-	-	(46,354)	46,354	-	-
Teaching school hub	-	59,750	(57,511)	-	-	2,239
Other grants	-	5,000	-	-	-	5,000
COVID-19 Catch Up Premium	-	45,800	(31,372)	-	-	14,428
Covid-19 Mass Testing	-	34,110	(35,180)	1,070	-	-
Pension reserve	(5,402,000)	-	(619,000)	-	(1,640,000)	(7,661,000)
	<u>(3,523,255)</u>	<u>6,163,122</u>	<u>(6,053,765)</u>	<u>(85,424)</u>	<u>(1,640,000)</u>	<u>(5,139,322)</u>
Restricted fixed asset funds						
DfE Group capital grants	866,133	12,077	(19,687)	(58,429)	-	800,094
Other capital grants	206,114	-	(4,684)	-	-	201,430

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Capital expenditure from GAG	843,832	-	(85,480)	144,923	-	903,275
Capital expenditure included in other income	5,718,890	-	(125,920)	-	-	5,592,970
	<u>7,634,969</u>	<u>12,077</u>	<u>(235,771)</u>	<u>86,494</u>	<u>-</u>	<u>7,497,769</u>
Total Restricted funds	<u>4,111,714</u>	<u>6,175,199</u>	<u>(6,289,536)</u>	<u>1,070</u>	<u>(1,640,000)</u>	<u>2,358,447</u>
Total funds	<u>4,533,619</u>	<u>6,177,530</u>	<u>(6,289,536)</u>	<u>-</u>	<u>(1,640,000)</u>	<u>2,781,613</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	7,677,430	7,677,430
Current assets	412,183	2,662,610	-	3,074,793
Creditors due within one year	-	(347,175)	-	(347,175)
Provisions for liabilities and charges	-	(532,000)	-	(532,000)
Total	<u>412,183</u>	<u>1,783,435</u>	<u>7,677,430</u>	<u>9,873,048</u>

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	7,487,790	7,487,790
Current assets	423,166	2,731,882	9,979	3,165,027
Creditors due within one year	-	(210,204)	-	(210,204)
Provisions for liabilities and charges	-	(7,661,000)	-	(7,661,000)
Total	423,166	(5,139,322)	7,497,769	2,781,613

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

	<i>2022 £</i>	<i>2021 £</i>
Net expenditure for the year (as per Statement of financial activities)	(1,102,565)	(112,006)
Adjustments for:		
Depreciation	243,544	235,771
Capital grants from DfE and other capital income	(12,049)	(12,077)
Interest receivable	(293)	(320)
Defined benefit pension scheme cost less contributions payable	931,000	522,000
Defined benefit pension scheme finance cost	134,000	97,000
Decrease in debtors	125,415	351,295
Increase/(decrease) in creditors	136,971	(178,114)
Net cash provided by operating activities	456,023	903,549

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

19. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	293	320
Purchase of tangible fixed assets	(433,184)	(144,923)
Capital grants from DfE Group	12,049	12,077
Net cash used in investing activities	(420,842)	(132,526)

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	3,006,555	2,971,374
Total cash and cash equivalents	3,006,555	2,971,374

21. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,971,374	35,181	3,006,555
	2,971,374	35,181	3,006,555

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

22. Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government grant was received, the Academy is required to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

(a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which the expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

23. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>237,398</u>	<u>68,249</u>

24. Pension commitments

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire 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 £82,648 were payable to the schemes at 31 August 2022 (2021 - £76,966) 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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

24. 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 2023.

The employer's pension costs paid to TPS in the year amounted to £247,898 (2021 - £214,965).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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 £620,000 (2021 - £589,000), of which employer's contributions totalled £488,000 (2021 - £468,000) and employees' contributions totalled £132,000 (2021 - £121,000). The agreed contribution rates for future years are 21.7 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in note , the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.55	3.40
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.7
Females	24.0	24.2
<i>Retiring in 20 years</i>		
Males	22.4	22.6
Females	25.7	25.9

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate -0.1%	232	421
Mortality assumption - 1 year decrease	338	602
CPI rate +0.1%	203	359

Share of scheme assets

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	4,831,200	4,289,100
Corporate bonds	2,217,600	2,144,550
Property	712,800	517,650
Cash and other liquid assets	158,400	443,700
Total market value of assets	7,920,000	7,395,000

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

The actual return on scheme assets was £126,000 (2021 - £99,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022 £	2021 £
Current service cost	(1,417,000)	(990,000)
Past service cost	(2,000)	-
Interest income	126,000	99,000
Interest cost	(260,000)	(196,000)
Total amount recognised in the Statement of financial activities	(1,553,000)	(1,087,000)

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

	2022 £	2021 £
At 1 September	15,056,000	10,999,000
Current service cost	1,417,000	990,000
Interest cost	260,000	196,000
Employee contributions	132,000	121,000
Actuarial (gains)/losses	(8,331,000)	2,825,000
Benefits paid	(84,000)	(75,000)
Past service costs	2,000	-
At 31 August	8,452,000	15,056,000

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

	2022 £	2021 £
At 1 September	7,395,000	5,597,000
Interest income	126,000	99,000
Actuarial (losses)/gains	(137,000)	1,185,000
Employer contributions	488,000	468,000
Employee contributions	132,000	121,000
Benefits paid	(84,000)	(75,000)
At 31 August	7,920,000	7,395,000

ASH FIELD ACADEMY TRUST
(A company limited by guarantee)

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

25. 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 £	2021 £
Not later than 1 year	60,417	60,417
Later than 1 year and not later than 5 years	67,171	124,943
	<u>127,588</u>	<u>185,360</u>

26. 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.

27. Related party transactions

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

28. Agency arrangements

The academy trust distributes 16 - 19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2022 the trust received £2,810 (2021: £2,630) and disbursed £2,537 (2021: £2,301) from the fund. An amount of £1,464 (2021: £1,392) represents undistributed funds that are held on behalf of the ESFA.