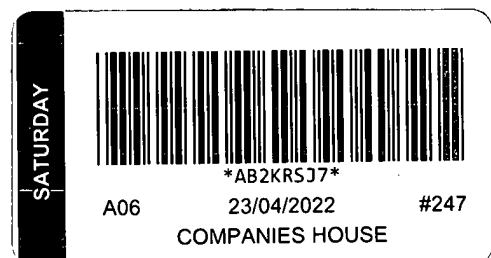


Registered number: 08725920

The Adelaide Academy Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2021



The Adelaide Academy Trust
(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 9
Governance Statement	10 - 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditors' Report on the Financial Statements	17 - 20
Independent Reporting Accountant's Report on Regularity	21 - 22
Statement of Financial Activities Incorporating Income and Expenditure Account	23
Balance Sheet	24
Statement of Cash Flows	25
Notes to the Financial Statements	26 - 55

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members	Mr D Parr Mr J Welch Mrs A J Booth Mrs S Burns
Trustees	Mr D Parr, Chair of Trustees ¹ Mrs S Martin, Chief Executive Officer and Accounting Officer ¹ Mr D Smith (resigned 12 October 2020) Mrs M Cheshire Mr D Pascall ¹ Dr A McBlain (appointed 16 October 2020) ¹ Member of The Trust Business Committee
Company registered number	08725920
Company name	The Adelaide Academy Trust
Principal and registered office	Adelaide School Adelaide Street Crewe Cheshire CW1 3DT
Company secretary	Mr S R Stevens (resigned 24 September 2021)
Chief executive officer	Mrs S Martin

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details (continued)
For the Year Ended 31 August 2021

**Senior management
team**

Mrs S Martin, Chief Executive Officer
Miss S Barlow, Head of Adelaide School
Mr I Southern, Deputy Headteacher of Adelaide School
Miss L Dickinson, Headteacher of Finch Woods Academy
Mr G Williams, Deputy Headteacher of Finch Woods Academy
Mrs C Cartlidge, Headteacher of Adelaide Heath Academy
Mr M Hartley, Deputy Headteacher of Adelaide Heath Academy
Miss L Hendry, Chief Finance Officer (resigned October 2020)
Mrs L Howfield, Interim Chief Financial Officer (appointed October 2020)

Independent auditors

Dains LLP
Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Bankers

Lloyds Bank
13 Victoria Street
Crewe
Cheshire
CW1 2JQ

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. From 1 May 2021 the company ceased to operate as its activities were transferred to Manor Hall Academy Trust at that date. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The academies within the trust joined Manor Hall Academy Trust on 1 May 2021. These financial statements therefore reflect the operations of the trust up to that point, whereupon the trust operations, and all its assets and liabilities were transferred to Manor Hall Academy Trust and this Trust became dormant and ceased to trade. The Trustees' Report set out below reflects arrangements and activities in place until that date.

The trust operated three special academies in the North West. Adelaide School, the founding school, became part of the Academy Trust in March 2014, Finch Woods Academy joined the Adelaide Academy Trust on 1 September 2014 and Adelaide Heath Academy (formally St John's Wood Academy) joined the Adelaide Academy Trust on 1 September 2017. The Academy Trust had a combined pupil capacity of 212 and had a roll of 216 in the school census in January 2021.

Structure, governance and management

a. Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Articles of Association is the primary governing document of the academy trust.

The Trustees of The Adelaide Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Adelaide Academy Trust.

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

b. Members' liability

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

c. Trustees' indemnities

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

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

Staff and parent trustees are recruited by nomination and election by the board of trustees. Community trustees are recruited by invitation from the Chair or Headteacher of persons known to the Academy Trust who are able to benefit the Trust by their knowledge and expertise. Staff trustees are recruited by nomination by all school staff. Parent trustees are invited to express an interest in joining the board of trustees and then elected by ballot. Other trustees are recruited by invitation from the Chair or Headteacher of persons known to the academy who are able to benefit the academy by their knowledge and expertise or by advertising using Academy Ambassadors.

e. Policies adopted for the induction and training of Trustees

New trustees are encouraged to undertake personal training in addition to courses organised for all trustees, to ensure that they are up to date in their knowledge and able to carry out their roles effectively. Shared inset between all schools in the trust include elements of trustee training and this is supported by external training providers. Trustees meet regularly both formally and informally with the Headteachers and members of school staff and receive on a regular basis updated copies of policies and procedures and are encouraged to have an input into school self evaluation and improvement planning.

f. Organisational structure

The Chief Executive Officer is the Accounting Officer. There is a Scheme of Delegation in place, which all parties adhere to.

From September 2019 the organisational structure of the Trust has incorporated the Academy Trust Members, the Trust Board, the Trust Business Committee, the Trust Standards Committee and Academy Councils in line with NGA guidance.

The Trust Board meets 7 times per year, the Trust Business Committee (now incorporating audit and risk) and the Trust Standards Committee meet once a term. Academy councils meet twice per term, once in the first and once in the second half term. The Academy Council minutes are reviewed by the Trust Board at each meeting, and the Academy Councils learn of the non confidential matters discussed at the Trust Board, by way of a report from the Trust Board Chair.

The Executive Head Teacher, Headteacher and Heads of School are challenged over the performance of the trust.

The Academy Councils maintain a critical view of the School Development Plan, the Self Evaluation Form and the finances of the schools. Minutes of the Academy Council meetings are fed back to the Trust Board each term.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

Structure, governance and management (continued)

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

Key management personnel are paid in line with The Adelaide Academy Trust Teachers' Pay Policy. It is the Trustees responsibility to;

- approve the pay policy statement, including procedures for addressing teachers' grievances in relation to their pay;
- determine what amount should be set aside from the school's budget for discretionary pay awards;
- consider recommendations from the Head teacher and Executive Head teacher about what awards should be given on the basis of the policy and budget;
- appoint governors to determine the ISR and pay of staff that are also Trustees;
- ensure the total of all discretionary payments made to a Head teacher in respect of any school year must not exceed 25% of the amount which corresponds to that individual's point on their ISR for that year. All discretionary payments received in relation to their role as a Head Teacher counts towards the limit;
- ensure that awards are made without discrimination;
- monitor the overall distribution of awards and the impact of the policy on all staff;
- inform all teaching staff of the policy adopted, including procedures for addressing grievances in relation to their pay.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	-
Total pay bill	2,824,418
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

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

i. Related parties and other connected charities and organisations

There are no connected organisations or related party relationships other than those noted in note 29 to the Financial Statements.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

Objectives and activities

To provide quality education for pupils with Social, Emotional and Mental Health Needs across Cheshire East and Knowsley

a. Objects and aims

The key objectives of The Adelaide Academy Trust are as follows:

- Supporting the member schools and others to become successful.
- Running the business successfully so it is financially viable and for the benefit of students. We anticipate savings through efficiencies of service.
- Having a focus on high quality teaching and learning in all schools.
- Building experience at Members and Trustee level so that there is effective support and challenge for schools.

The aim of The Adelaide Academy Trust is to raise standards across all partnership establishments. Playing the role of a critical friend, Adelaide School wants to ensure that all establishments sponsored, develop and maintain a capacity to improve and are empowered to sustain this improvement throughout their respective organisations.

b. Objectives, strategies and activities

The Governance of Adelaide School was described as outstanding in the Ofsted report 2018, and we are using this expertise to support other schools. Governors have a wide range of backgrounds and use the high quality information provided to them to ask challenging questions and to hold the school to account. The Academy Trust also employs the services of an external consultant to support the governors in their role. All local governing boards have completed Shaping Governance to ensure they are aware of the priorities for the school and areas for development. This training also encourages the governors to be more challenging and strategic.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charities Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The trust provides public benefit in the form of special education in Cheshire and Knowsley and supported students occasionally in adjacent local authorities and outreach work from Adelaide School as a centre of expertise enabling pupils and staff in other related fields and agencies to benefit from joint working and specialised knowledge.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

Strategic report

Achievements and performance

a. Key performance indicators

Ofsted Inspections

The most recent Ofsted Inspections of the schools are as follows:

- Adelaide School – Outstanding 2007, 2011 and 2018
- Finch Woods School – Good 2017
- Adelaide Heath Academy – Inadequate 2018

Monitoring visits from OFSTED have shown that the Trust has taken effective action.

b. Going concern

Following approval from the Secretary of State for Education on 1 May 2021 Adelaide School, Finch Wood School and Adelaide Heath Academy (the academies) formally joined the Manor Hall Academy Trust, a Multi Academy Trust incorporated in England and Wales. On the same day, the activities, assets and liabilities of the academies were transferred to Manor Hall Academy Trust and this academy trust company became dormant.

Financial review

The Academy's key sources of funding are the General Annual Grant (GAG) from the Education Skills and Funding Agency (ESFA) and the top up funding from the local authority. Funding from the ESFA and local authority is shown as restricted funds in the Statement of Financial Activities. The analysis of the specific grants received can be seen within note 4 to the financial statements.

During the year to 31 August 2021, the Trust received GAG of £1,206,667 and local authority top up funding of £2,621,037 in addition to other income sources. Due to the date of the transfer the Trust did not receive any capital grants from the ESFA in the year to 31 August 2021. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year to 31 August 2021, total resources expended are £3,940,075 excluding depreciation, amortisation and pension movements. Depreciation and amortisation of £158,046 has been charged during the year against the restricted fixed asset fund.

The excess of income over expenditure for the period to 30 April 2021 (excluding the movement in the pension reserve and restricted fixed asset fund and capital transfers) was £90,428.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

a. Reserves policy

The trustees review the reserve levels of the Trust annually. This review encompasses the nature of the income and expenditure stream, the need to match income with commitments and the nature of the reserves. The Trust's reserves policy:

- Assists in strategic planning by considering how new projects or activities will be funded.
- Informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects.
- Informs the budget and risk management process by identifying any uncertainty in future income streams.

The Trust's reserves policy is designed to mitigate cash flow risks in each Academy by doing the following:

- Ensuring there is a sufficient cash buffer in each Academy's current account to cover a significant drop in pupil numbers, i.e. 3 x full year Top Up Funding is approximately £50,000.
- To provide sufficient working capital to cover delays between expenditure and receipt of grants.
- To provide sufficient working capital to cover up front payment of annual SLA's and insurance policies.
- To provide a cushion to deal with any unexpected emergencies such as urgent property maintenance or additional staffing requirements

Academies are expected to manage their cash flow individually; however, the Trust will hold a central fund to ensure that should an Academy fall in to difficulties or forecast a negative cash flow, they will not go overdrawn. The central Trust fund will only be used in this instance as a last resort.

- The central Trust fund should retain a minimum balance of £20,000 per academy that is part of the Trust, i.e. 3 Academies would require a minimum cash balance of £60,000 at Trust level.
- Each Academy should look to retain an ongoing minimum cash buffer of between 5-8% of their annual income to mitigate the risks noted above.
- Any Academies carrying levels of surplus above 8% must have good reason for doing so and must provide a plan to the Business Committee to back this up.
- Any Academies forecasting a level of surplus below 5% must provide reasoning and a plan of action to the Business Committee to raise the level to between 5-8%.

At 30 April 2021 the Academy was holding restricted and unrestricted reserves carried forward (excluding the fixed asset and pension reserves) of £1,094,164 consisting of £667,717 restricted funds and £356,400 unrestricted funds. The restricted fixed asset fund balance is £6,149,374. The restricted pension reserve deficit totals £2,053,000.

At the end of the period, the trust had total reserves of £nil.

b. Investment policy

The investment policy supports the reserves policy. The academy trust seeks to adopt a cautious, prudent and well diversified investment stance taking into account future cash flow projections to balance potential returns with appropriate levels of risk whilst attracting as high an interest returns as possible.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

c. Principal risks and uncertainties

The Trustees have reviewed the major risks to which the academy is exposed, in particular those relating to the operations and finances of the trust. The process included the preparation of a risk management policy and risk register. Risk areas highlighted include:

- A decline in Local Authority Top Up funding for schools based in Cheshire East
- Change to the funding formula
- Late payment of local authority top up funding
- Pupil numbers exceeding the current PAN
- Cashflow, particularly at Adelaide Heath School

Fundraising

The Adelaide Academy Trust is committed to raising funds for charities which have been selected by each academy's pupil council, although this has not been possible this year due to Covid regulations. Any request to raise funds will be done so with due regard to recognised standards. Each fundraising activity is monitored by the Trust Finance Director to ensure that funds are protected and only used for the nature they have been raised for. Due care and attention is made to ensure that members of the public and vulnerable adults are not subject to unreasonable or intrusive fundraising approaches. Trustees have an approved complaints policy which includes a section on fundraising.

Plans for future periods

Our ambition continues to be that the schools within the Trust become Outstanding as soon as possible and to support leadership and the development of high quality teaching and learning in these schools to enable this to happen. We continue to support our schools in creating their own identity but with a similar ethos and values as Adelaide School. We are currently in the process of applying to the DfE to increase the age range at Adelaide Heath Academy to include a 6th form to meet the needs of the pupils. Finch Woods Academy have been in discussions with Knowsley to also extend their age range to include KS2 pupils.

The academies within the Trust have joined Manor Hall Academy Trust with effect from 1 May 2021.

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
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 21 December 2021 and signed on its behalf by:



Mr D Parr
Chair of Trustees

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Adelaide 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 The Adelaide 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.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr D Parr, Chair of Trustees	3	3
Mrs S Martin, Chief Executive Officer and Accounting Officer	3	3
Mr D Smith (Resigned 12 October 2020)	0	0
Mrs M Cheshire	3	3
Mr D Pascall	2	3
Dr A McBlain (appointed 16 October 2020)	2	3

The Trust Standards Committee is a sub-committee of the main Board of Trustees. Its purpose is:

- To monitor and challenge the quality of teaching and learning and rates of pupil progress and outcomes.
- To ensure that each Academy's curriculum meets the requirements of the National Curriculum and each Academy is implementing a broad and balanced curriculum appropriate to the needs of each pupil.
- To monitor the implementation of the Trust Development Plan.
- To provide support and guidance to the Trust Board in all matters relating to Safeguarding.
- To ensure behaviour and welfare of pupils is outstanding.
- To monitor the personal development of pupils and attendance.

Dr A McBlain joined the committee following the resignation of a Trustee during the year.

Standards Committee meetings were attended by the Executive Headteacher and Headteachers across the trust to provide the trustees with context and detail on areas for discussion including pupil progress, challenges faced during the pandemic, pupil attendance and behaviour, actions taken by the schools to support pupils and families, outcomes and actions from School Improvement Partner visits, use of Pupil Premium and catch-up funding, the mental health and wellbeing of pupils and staff and developments in teaching and learning including the use of virtual learning.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M Cheshire	2	2
Mrs S Martin	2	2
Dr A McBlain	1	2
Mr D Pascall	2	2

The Trust Business Committee is also a sub-committee of the main Board of Trustees. Its purpose is:

- To review and agree the Academies' proposals for the budget, to recommend it to the Trust Board and to review and keep track of expenditure.
- To provide leadership on financial issues.
- To ensure that risks are addressed appropriately.
- To provide support and guidance to the Trust Board in all matters relating to the premises and grounds, security and Health and Safety and to ensure compliance with all relevant Health & Safety Regulations.

During the year the Business Committee met with the trust accountants to discuss the Audit Clearance Memorandum, details of the audit outcome and the financial statements, and also considered potential projects and spending on resources at schools across the trust.

Attendance during the year at meetings was as follows:

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

Trustee	Meetings attended	Out of a possible
Mrs M Cheshire	2	2
Mrs S Martin	2	2
Dr A McBlain	1	2
Mr D Parr	2	2
Mr D Pascall	2	2

Review of value for money

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

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

Financial Governance and Oversight

The schools hold regular meetings of its LGBs. In these meetings, financial decisions are discussed and budget reports reviewed. Minutes of the meetings demonstrate that the trustees hold the schools to account over financial decisions and challenge spending decisions, where appropriate. Rigorous systems are in place to ensure strong financial controls and security.

Better purchasing

The Trust continues to review Service Level Agreements with the Local Authorities and other independent providers, renegotiating or changing provider when beneficial. This ensures the services provided are fit for purpose and cost effective as well as providing value for money.

Grants

Member of the finance team and other staff actively seek additional income from grants and reduced costs accessed through DfE National Deals for Schools.

Reviewing Controls and Managing Risks

The Trust has implemented segregation of duties within financial control. The LGB challenges decision makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money and ensures three quotes are obtained for all relevant purchases.

Networking

The schools in the Trust continue to work together collaboratively for procurement of some supplies and services, in order to achieve greater economies of scale.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Adelaide Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Governance Statement (continued)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Standards and Business Committees 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 School Business Leadership Services as internal auditor.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included reviewing the 3-5 year budgets, checking cashflow, checking that financial controls were followed according to the Finance Policy, risk register, follow up of previous management points, reporting arrangements, benchmarking and staffing structure.

The internal auditor produced a report to the Board of Trustees through the Standards committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities included a short summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

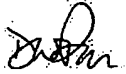
- the work of the School Business Leadership Services;
- the work of the external auditors;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Standards and Business Committees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

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



Mr D Parr
Chair of Trustees
Date: 21 December 2021



Mrs S Martin
Accounting Officer

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of The Adelaide Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

Monthly management accounts were sent to all Trustees via Governor Hub for 5 of the 8 trading months. However, due to staffing changes within the Trust, monthly management accounts were not sent to the Chair of Trustees and other Trustees for the remaining months.

The Trust did not include all relevant business and pecuniary interests on the Trust's website, although no transactions were made with the entity in the year.

During the period a weakness in the control framework was identified, a staff member salary had been overpaid for a number of years. The overpayment was calculated at £16,970. Once this was identified, all staff contracts were checked, and no further discrepancies were identified.



Mrs S Martin
Accounting Officer
Date: 21 December 2021

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2021

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 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:



Mr D Parr
Chair of Trustees
Date: 21 December 2021

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Adelaide Academy Trust

Opinion

We have audited the financial statements of The Adelaide Academy Trust (the 'academy trust') for the year ended 31 August 2021 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 2020 to 2021 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 2021 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 2020 to 2021 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.

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to note 1.2 in the financial statements, which indicates that the academy trust transferred its activities, assets and liabilities to Manor Hall Academy Trust on 1 May 2021 and therefore the trustees do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 1.2. Our opinion is not modified in respect of this matter.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Adelaide 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

Independent Auditors' Report on the financial statements to the Members of The Adelaide Academy Trust (continued)

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy Trust through discussions with directors and other management, and from our commercial knowledge and experience of the academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy Trust, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Academy Trust's legal advisors.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

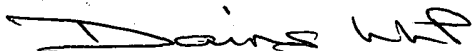
Independent Auditors' Report on the financial statements to the Members of The Adelaide Academy Trust (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.



Jonathan Dudley (Senior Statutory Auditor)
for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

21 December 2021

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Adelaide Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Adelaide Academy Trust during the year 1 September 2020 to 31 August 2021 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 The Adelaide Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Adelaide 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 The Adelaide Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Adelaide Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Adelaide Academy Trust's funding agreement with the Secretary of State for Education dated 28 November 2013 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Adelaide Academy Trust and the Education & Skills Funding Agency (continued)

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Monthly management accounts were sent to all Trustees via Governor Hub for 5 of the 8 trading months. However, due to staffing changes within the Trust, monthly management accounts were not sent to the Chair of Trustees and other Trustees for the remaining months.

The Trust did not include all relevant business and pecuniary interests on the Trust's website, although no transactions were made with the entity in the year.

During the period a weakness in the control framework was identified, a staff member salary had been overpaid for a number of years. The overpayment was calculated at £16,970. Once this was identified, all staff contracts were checked, and no further discrepancies were identified.



Dains LLP

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date: 21 December 2021

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 Restated £
Income from:						
Donations and capital grants	3	17,786	2,540	(27,949)	(7,623)	557,571
Charitable activities	4	-	4,081,509	-	4,081,509	5,599,560
Other trading activities	5	16,108	-	-	16,108	17,721
Investments	6	70	-	-	70	435
		<u>33,964</u>	<u>4,084,049</u>	<u>(27,949)</u>	<u>4,090,064</u>	<u>6,175,287</u>
Expenditure on:						
Raising funds	7	26,824	-	-	26,824	34,057
Charitable activities	8	-	4,132,251	158,273	4,290,524	5,982,083
Transfer existing academy out of the trust	31	356,400	(1,865,283)	6,149,374	4,640,491	-
		<u>383,224</u>	<u>2,266,968</u>	<u>6,307,647</u>	<u>8,957,839</u>	<u>6,016,140</u>
Total expenditure						
Net (expenditure)/ income		(349,260)	1,817,081	(6,335,596)	(4,867,775)	159,147
Transfers between funds	18	-	(87,510)	87,510	-	-
Net movement in funds before other recognised gains/(losses)						
		<u>(349,260)</u>	<u>1,729,571</u>	<u>(6,248,086)</u>	<u>(4,867,775)</u>	<u>159,147</u>
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(183,000)	-	(183,000)	28,000
		<u>(349,260)</u>	<u>1,546,571</u>	<u>(6,248,086)</u>	<u>(5,050,775)</u>	<u>187,147</u>
Net movement in funds						
Reconciliation of funds:						
Total funds brought forward	19	349,260	(1,546,571)	6,248,086	5,050,775	4,863,628
Net movement in funds	18	(349,260)	1,546,571	(6,248,086)	(5,050,775)	187,147
Total funds carried forward		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,050,775</u>

All of the trust's results are derived from discontinued operations.

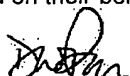
The notes on pages 26 to 55 form part of these financial statements.

The Adelaide Academy Trust
(A Company Limited by Guarantee)
Registered number: 08725920

Balance Sheet
As at 31 August 2021

	Note	2021 £	Restated 2020 £
Fixed assets			
Intangible assets	14	-	2,394
Tangible assets	15	-	5,923,424
		<u>-</u>	<u>5,925,818</u>
Current assets			
Debtors	16	-	528,809
Cash at bank and in hand		-	1,226,596
		<u>-</u>	<u>1,755,405</u>
Creditors: amounts falling due within one year	17	-	(499,448)
		<u>-</u>	<u>1,255,957</u>
Net current assets		-	1,255,957
Net assets excluding pension asset / liability		-	7,181,775
Defined benefit pension scheme asset / liability	27	-	(2,131,000)
		<u>-</u>	<u>(2,131,000)</u>
Total net assets		<u>-</u>	<u>5,050,775</u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	-	6,248,086
Restricted income funds	18	-	584,429
		<u>-</u>	<u>6,832,515</u>
Restricted funds excluding pension reserve	18	-	6,832,515
Pension reserve	18	-	(2,131,000)
		<u>-</u>	<u>(2,131,000)</u>
Total restricted funds	18	-	4,701,515
Unrestricted income funds	18	-	349,260
		<u>-</u>	<u>349,260</u>
Total funds		<u>-</u>	<u>5,050,775</u>

The financial statements on pages 23 to 55 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr D Parr
Chair of Trustees
Date: 21 December 2021

The notes on pages 26 to 55 form part of these financial statements.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2021

	Note	2021 £	<i>Restated</i> 2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	112,112	397,064
Cash flows from investing activities	22	(369,778)	114,556
Cash flows from financing activities	21	(968,930)	-
Change in cash and cash equivalents in the year		(1,226,596)	511,620
Cash and cash equivalents at the beginning of the year		1,226,596	714,976
Cash and cash equivalents at the end of the year	23, 24	-	1,226,596

The notes on pages 26 to 55 form part of these financial statements

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies

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

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

Following the approval from the Secretary of State, for Education on 1 May 2021 The Adelaide Academy Trust formally joined Manor Hall Academy Trust, a trust incorporated in England and Wales. On the same day, the activities, assets and liabilities of The Adelaide Academy Trust were transferred to Manor Hall Academy Trust and this academy trust became dormant. These financial statements have therefore been prepared on a non-going concern basis. No adjustments for the carrying value of the assets and liabilities, prior to the transfer, were required as a result of the basis of preparation.

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.

• **Donations**

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

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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	-	33% straight line
-------------------	---	-------------------

1. Accounting policies (continued)

1.6 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold land	- 0.8% Straight Line
Long-term leasehold buildings	- 2% Straight Line
Leasehold improvements	- 6.67% Straight Line
Furniture and equipment	- 14% - 25% Straight Line
Computer equipment	- 33% Straight Line
Motor vehicles	- 20% Straight Line
Assets under construction	- Not depreciated

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 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Operating leases

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

1.9 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. Accounting policies (continued)

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 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.

1.12 Provisions

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

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

1.13 Financial instruments

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

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

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

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

1.14 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.

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

1.16 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.

Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Critical accounting estimates and areas of judgment

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

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.

Local Government Pension Scheme

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 27, 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 2021. 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.

Long Term Leasehold Land and Buildings

The long term leasehold land and buildings within the financial statements relate to the academy premises which are donated to the academy on conversion on a 125 year lease from Cheshire East and Knowsley Councils. The leasehold land and buildings at Finch Woods Academy and Adelaide School were valued using the ESFA valuation and Eddisons at Adelaide Heath Academy. These are being depreciated in accordance with depreciation policies set out in note 1. No annual charge is made for the use of the land and buildings under the terms of the lease, based on management not being able to reliably measure the open market rate.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	17,786	2,540	-	20,326	10,888
Capital Grants	-	-	(27,949)	(27,949)	546,683
	17,786	2,540	(27,949)	(7,623)	557,571
<i>Total 2020</i>	-	10,888	546,683	557,571	

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

4. Funding for the academy trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020* £
DfE/ESFA grants			
General Annual Grant (GAG)	1,206,667	1,206,667	1,728,565
Pupil Premium	102,554	102,554	110,932
Teachers Pension grant	79,108	79,108	52,336
Other DfE/ESFA	72,143	72,143	77,660
	<u>1,460,472</u>	<u>1,460,472</u>	<u>1,969,493</u>
Other government grants			
Local Authority Funding	2,621,037	2,621,037	3,630,067
	<u>4,081,509</u>	<u>4,081,509</u>	<u>5,599,560</u>
<i>Total 2020</i>	<u>5,599,560</u>	<u>5,599,560</u>	

* Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Teachers pension grant is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	13,181	13,181	13,341
Catering Income	2,927	2,927	3,967
Staff Insurance Income	-	-	413
	<u>16,108</u>	<u>16,108</u>	<u>17,721</u>
<i>Total 2020</i>	<u>17,721</u>	<u>17,721</u>	

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	70	70	435
<i>Total 2020</i>	<u>435</u>	<u>435</u>	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Restated Total 2020 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	26,824	26,824	34,057
Educational Operations:					
Direct costs	2,588,463	-	589,272	3,177,735	4,465,173
Allocated support costs	496,429	198,066	418,294	1,112,789	1,516,910
Teaching school	-	-	4,640,491	4,640,491	-
	<u>3,084,892</u>	<u>198,066</u>	<u>5,674,881</u>	<u>8,957,839</u>	<u>6,016,140</u>
<i>Total 2020</i>	<u>4,132,803</u>	<u>345,656</u>	<u>1,537,681</u>	<u>6,016,140</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Restated Total funds 2020 £
Educational Operations	3,177,735	1,112,789	4,290,524	5,982,083
<i>Total 2020</i>	<u>4,465,173</u>	<u>1,516,910</u>	<u>5,982,083</u>	

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	Restated Total funds 2020 £
Staff costs	2,588,463	3,562,938
Depreciation	50,306	26,699
Educational supplies	44,143	78,782
Examination fees	6,499	14,981
Staff development	14,678	27,970
Technology costs	16,442	17,156
Educational consultancy	237,183	323,617
Other direct costs	199,340	372,732
Recruitment and other staff expenses	20,681	40,298
	<u>3,177,735</u>	<u>4,465,173</u>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 Restated £
Pension net finance costs	26,000	36,000
Staff costs	496,429	662,865
Depreciation	107,967	132,784
Catering	63,226	79,342
Staff development and other staff costs	9,016	16,861
Technology costs	57,872	105,628
Other costs	48,777	97,607
Maintenance of premises	22,976	122,471
Cleaning	19,511	20,702
Rates	3,019	4,563
Water rates	5,520	10,040
Energy	39,072	55,096
Legal and professional services	116,888	39,945
Governance costs	44,985	75,163
Other occupancy costs	51,531	57,843
	<u>1,112,789</u>	<u>1,516,910</u>

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £	2020 £
Operating lease rentals	9,310	3,453
Depreciation of tangible fixed assets	158,046	159,194
Amortisation of intangible assets	228	288
Fees paid to auditors for:		
- audit	14,700	14,300
- other services	8,685	6,505

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 <i>Restated</i> £
Wages and salaries	2,072,010	2,868,734
Social security costs	204,353	267,016
Pension costs	617,052	771,359
	<u>2,893,415</u>	<u>3,907,109</u>
Agency staff costs	186,583	315,694
Staff restructuring costs	4,895	3,000
	<u><u>3,084,893</u></u>	<u><u>4,225,803</u></u>

Staff restructuring costs comprise:

	2021 £	2020 £
Redundancy payments	3,895	-
Non-contractual severance payments	1,000	3,000
	<u>4,895</u>	<u>3,000</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments of £1,000 (2020 - £3,000).

c. Staff numbers

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

	2021 No.	2020 No.
Teaching staff	27	35
Administration and support	67	55
Management	8	8
	<u>102</u>	<u>98</u>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

10. Staff (continued)

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	4	4
In the band £100,001 - £110,000	1	1

e. 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 £442,579 (2020 £637,822).

11. Central services

The academy trust has provided the following central services to its academies during the year:

- Financial services
- IT software and support
- Educational support services

The academy trust charges for these services on the following basis:

5% of total income excluding year 7 catch up funding, PE sport grants, UFSM, summer school funding and capital income. In addition to this there were additional central charges in the period, which were allocated on a percentage of pupils basis.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Adelaide School	83,457	128,235
Finch Woods Academy	86,714	99,566
Adelaide Heath Academy	56,443	52,589
Total	226,614	280,390

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

12. 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:

		2021	2020
		£	£
Mrs S Martin, Chief Executive Officer and Accounting Officer	Remuneration	65,000 -	100,000 -
		70,000	105,000
	Pension contributions paid	15,000 -	20,000 -
		20,000	25,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

13. Trustees' and Officers' insurance

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

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

14. Intangible assets

	Computer software £
At 1 September 2020	4,110
Transferred out of the Trust	(4,110)
At 31 August 2021	-
At 1 September 2020	1,716
Charge for the year	228
Transferred out of the Trust	(1,944)
At 31 August 2021	-
Net book value	
At 31 August 2021	-
<i>At 31 August 2020</i>	<i>2,394</i>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

15. Tangible fixed assets

	Long-term leasehold land and buildings £	Leasehold improve- ments £	Assets under construc- tion £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
At 1 September 2020	5,834,442	334,390	239,613	22,221	264,236	64,290	6,759,192
Additions	-	-	316,931	1,592	29,930	21,395	369,848
Disposal	-	-	-	-	(53,489)	-	(53,489)
Transferred out of the Trust	(5,834,442)	(890,934)	-	(23,813)	(240,677)	(85,685)	(7,075,551)
Transfers between classes	-	556,544	(556,544)	-	-	-	-
At 31 August 2021	-	-	-	-	-	-	-
At 1 September 2020	518,080	101,712	-	14,144	163,680	38,152	835,768
Charge for the year	65,089	33,570	-	2,537	50,078	6,772	158,046
On disposals	-	-	-	-	(52,591)	-	(52,591)
Transferred out of the Trust	(583,169)	(135,282)	-	(16,681)	(161,167)	(44,924)	(941,223)
At 31 August 2021	-	-	-	-	-	-	-
Net book value							
At 31 August 2021	-	-	-	-	-	-	-
At 31 August 2020	5,316,362	232,678	239,613	8,077	100,556	26,138	5,923,424

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	-	24,356
VAT repayable	-	145,151
Prepayments and accrued income	-	359,302
	<u>-</u>	<u>528,809</u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	360,578
Other taxation and social security	-	68,699
Other creditors	-	64,064
Accruals and deferred income	-	6,107
	<u>-</u>	<u>499,448</u>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

18. Statement of funds

	Restated Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Unrestricted funds	349,260	33,964	(26,824)	(356,400)	-	-
Transfer of existing academies out of the Trust	-	-	(356,400)	356,400	-	-
	<u>349,260</u>	<u>33,964</u>	<u>(383,224)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted general funds						
General Annual Grant	88,894	1,206,667	(1,208,051)	(87,510)	-	-
Pupil premium	-	39,327	(39,327)	-	-	-
Teachers pension grant	-	79,108	(79,108)	-	-	-
Other DfE/ESFA Revenue Grant	68,478	72,142	(135,404)	(5,216)	-	-
Other government grants	422,066	2,684,265	(2,451,361)	(654,970)	-	-
Restricted donations	4,991	2,540	-	(7,531)	-	-
Transfer of existing academies out of the Trust	-	-	1,865,283	(1,865,283)	-	-
Pension reserve	(2,131,000)	-	(219,000)	2,533,000	(183,000)	-
	<u>(1,546,571)</u>	<u>4,084,049</u>	<u>(2,266,968)</u>	<u>(87,510)</u>	<u>(183,000)</u>	<u>-</u>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

18. Statement of funds (continued)

	Restated Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Donations from local authority	5,317,879	-	(71,016)	(5,246,863)	-	-
Academies Capital Maintenance Fund	106,152	-	(8,281)	(97,871)	-	-
Devolved Capital Fund	134,827	-	(22,986)	(111,841)	-	-
Conditional Improvement Fund	598,844	(27,949)	(22,656)	(548,239)	-	-
Capital expenditure from restricted general funds	90,384	-	(33,334)	(57,050)	-	-
Transfer of existing academies out of the Trust	-	-	(6,149,374)	6,149,374	-	-
	<u>6,248,086</u>	<u>(27,949)</u>	<u>(6,307,647)</u>	<u>87,510</u>	<u>-</u>	<u>-</u>
Total Restricted funds	<u>4,701,515</u>	<u>4,056,100</u>	<u>(8,574,615)</u>	<u>-</u>	<u>(183,000)</u>	<u>-</u>
Total funds	<u>5,050,775</u>	<u>4,090,064</u>	<u>(8,957,839)</u>	<u>-</u>	<u>(183,000)</u>	<u>-</u>

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

Unrestricted General Funds

This fund represents those resources which may be used towards meeting any of the charitable objectives at the discretion of the trustees.

Restricted General Funds

These funds represent grants received for the academy trust's operational activities and development.

Pension Reserve

This fund represents the academy trust's share of the pension liability arising in the LGPS pension fund.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

18. Statement of funds (continued)

Restricted Fixed Asset Fund

This fund relates to the grant funding received from the ESFA to carry out works of a capital nature and also the donation of the leasehold land and buildings from the local authority on a 125 year lease and a small amount capital expenditure from GAG and other government grants.

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 Restated £
Adelaide School	-	762,287
Finch Woods Academy	-	198,061
Adelaide Heath Academy	-	(110,770)
Central Services	-	84,111
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	-	933,689
Restricted fixed asset fund	-	6,248,086
Pension reserve	-	(2,131,000)
	<hr/>	<hr/>
Total	-	5,050,775
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Adelaide School	853,607	139,127	25,547	414,175	1,432,456	2,048,969
Finch Woods Academy	855,607	160,138	11,422	327,552	1,354,719	2,002,692
Adelaide Heath Academy	685,940	194,555	6,912	144,532	1,031,939	1,062,891
Central Services	-	2,609	263	118,089	120,961	517,105
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	2,395,154	496,429	44,144	1,004,348	3,940,075	5,631,657
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

18. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	As restated Expenditure £	Transfers in/out £	As restated Gains/ (Losses) £	Balance at 31 August 2020 Restated £
Unrestricted funds						
Unrestricted funds	365,161	18,156	(34,057)	-	-	349,260
Restricted general funds						
General Annual Grant	162,307	1,728,565	(1,765,756)	(36,222)	-	88,894
Pupil premium	68,478	240,928	(240,928)	-	-	68,478
Teachers pension grant	377,018	3,630,067	(3,585,019)	-	-	422,066
Other DfE/ESFA Revenue Grant	-	10,888	(5,897)	-	-	4,991
Pension reserve	(1,934,000)	-	(225,000)	-	28,000	(2,131,000)
	<u>(1,326,197)</u>	<u>5,610,448</u>	<u>(5,822,600)</u>	<u>(36,222)</u>	<u>28,000</u>	<u>(1,546,571)</u>
Restricted fixed asset funds						
Donations from local authority	5,416,676	-	(98,797)	-	-	5,317,879
Academies Capital Maintenance Fund	117,204	-	(11,052)	-	-	106,152
Devolved Capital Fund	126,127	18,785	(10,085)	-	-	134,827
Conditional Improvement Fund	76,359	527,898	(5,413)	-	-	598,844

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

18. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	As restated Expenditure £	Transfers in/out £	As restated Gains/ (Losses) £	Balance at 31 August 2020 £
Capital expenditure from restricted general funds	88,298	-	(34,136)	36,222	-	90,384
	<u>5,824,664</u>	<u>546,683</u>	<u>(159,483)</u>	<u>36,222</u>	<u>-</u>	<u>6,248,086</u>
Total Restricted funds	<u>4,498,467</u>	<u>6,157,131</u>	<u>(5,982,083)</u>	<u>-</u>	<u>28,000</u>	<u>4,701,515</u>
Total funds	<u><u>4,863,628</u></u>	<u><u>6,175,287</u></u>	<u><u>(6,016,140)</u></u>	<u><u>-</u></u>	<u><u>28,000</u></u>	<u><u>5,050,775</u></u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Total funds 2021 £
Tangible fixed assets	-
Intangible fixed assets	-
Current assets	-
Creditors due within one year	-
Provisions for liabilities and charges	-
Total	<u><u>-</u></u>

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 Restated £	Restricted funds 2020 Restated £	Restricted fixed asset funds 2020 Restated £	Total funds 2020 Restated £
Tangible fixed assets	-	-	5,923,424	5,923,424
Intangible fixed assets	-	-	2,394	2,394
Current assets	349,260	1,083,877	322,268	1,755,405
Creditors due within one year	-	(499,448)	-	(499,448)
Provisions for liabilities and charges	-	(2,131,000)	-	(2,131,000)
Total	349,260	(1,546,571)	6,248,086	5,050,775

20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021 £	2020 Restated £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(4,867,775)	159,147
Adjustments for:		
Amortisation	228	288
Depreciation	158,046	159,194
Dividends, interest and rents from investments	(70)	(435)
Loss on disposal	897	510
Defined benefit pension scheme cost less contributions payable	193,000	189,000
Defined benefit pension scheme finance cost	26,000	36,000
(Increase)/decrease in debtors	(706,330)	279,813
Increase in creditors	667,625	120,230
Capital grants from DfE and other capital income	-	(546,683)
Transfer existing academies out of the trust	4,640,491	-
Net cash provided by operating activities	112,112	397,064

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

21. Cash flows from financing activities

	2021 £	2020 £
Transfer of cash from existing academies leaving the Trust	(968,930)	-
Net cash (used in)/provided by financing activities	(968,930)	-

22. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	70	435
Purchase of tangible fixed assets	(369,848)	(115,823)
Capital grants from DfE Group	-	229,944
Net cash (used in)/provided by investing activities	(369,778)	114,556

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	-	1,226,596
Total cash and cash equivalents	-	1,226,596

24. Analysis of changes in net debt

At 1 September 2020 £	Cash flows £	Other non- cash changes £
1,226,596	(257,666)	(968,930)

Closing balance at 31 August 2021 was £nil.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

25. Capital commitments

	2021	2020
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	309,812
	<u> </u>	<u> </u>

26. Prior year restatement

A prior year adjustment has been made to the pension scheme liability following confirmation from the Cheshire Pension Fund that the previous contribution data provided and used in the original 31 August 2020 report was incorrect. The defined benefit pension scheme liability has been restated to increase the liability by £76,000, to increase the SOFA cost by £94,000 and to increase actuarial gain by £18,000.

27. 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 Cheshire East and Knowsley Councils. 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 2016.

Contributions amounting to £ - were payable to the schemes at 31 August 2021 (2020 - £64,061) 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.

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 £246,955 (2020 - £316,000).

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.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

27. Pension commitments (continued)

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 2021 was £217,000 (2020 - £275,000), of which employer's contributions totalled £174,000 (2020 - £231,000) and employees' contributions totalled £ 43,000 (2020 - £44,000). The agreed contribution rates for future years are 25.2 per cent for employers and 5.5-12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Principal actuarial assumptions

	2021 %	2020 %
Discount rate for scheme liabilities	1.95 -2.10	1.7 - 1.8
Rate of increase in salaries	3.50-4.20	2.9 - 3.8
Rate of increase for pensions in payment / inflation	2.70-2.80	2.2 - 2.4
Inflation assumption (CPI)	2.70-2.80	2.2 - 2.3
Commutation of pensions to lump sums - pre April 2008	75	75

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.0-21.4	20.9 - 21.2
Females	24.0-24.1	23.6 - 24.0
<i>Retiring in 20 years</i>		
Males	22.4-22.6	21.9 - 22.5
Females	25.7-26.0	25.0 - 25.9

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

27. Pension commitments (continued)

Sensitivity analysis

	2021 £000	2020 £000
Discount rate -0.1%	87	90
Salary increase rate +0.1%	2	2
Pension rate +0.1%	84	86
Mortality assumption - 1 year decrease	(137)	-
Mortality assumption - 1 year increase	137	-
Discount rate +0.1%	(87)	(90)
Salary increase rate -0.1%	(2)	(2)
Pension rate -0.1%	(84)	(86)

A comparative figure for 2020 for the mortality assumption is not available and so the comparative figure in the above table has been left blank.

Share of scheme assets

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

	2021 £	2020 Restated £
Equities	-	736,000
Debt instruments	-	641,000
Property	-	139,000
Cash and other liquid assets	-	110,000
Other	-	46,000
Total market value of assets	-	1,672,000

The actual return on scheme assets was £122,000 (2020 - £18,000).

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

	2021 £	Restated 2020 £
Current service cost	(367,000)	(465,000)
Interest income	20,000	31,000
Interest cost	(45,000)	(66,000)
Total amount recognised in the Statement of Financial Activities	(392,000)	(500,000)

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

27. Pension commitments (continued)

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

	2021 £	Restated 2020 £
At 1 September	3,803,000	3,530,000
Transferred out on existing academies leaving the trust	(4,530,000)	-
Current service cost	367,000	465,000
Interest cost	45,000	66,000
Employee contributions	43,000	69,000
Actuarial losses/(gains)	301,000	(263,000)
Benefits paid	(29,000)	(64,000)
At 31 August	-	3,803,000

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

	2021 £	Restated 2020 £
At 1 September	1,672,000	1,596,000
Transferred out on existing academies leaving the trust	(1,997,000)	-
Interest income	20,000	31,000
Actuarial gains/(losses)	118,000	(235,000)
Employer contributions	174,000	276,000
Employee contributions	43,000	69,000
Benefits paid	(29,000)	(64,000)
Administration expenses	(1,000)	(1,000)
At 31 August	-	1,672,000

28. Operating lease commitments

At 31 August 2021 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	-	9,310
Later than 1 year and not later than 5 years	-	4,407
	-	13,717

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

29. 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.

30. Related party transactions

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

Proactive Education Services Limited - a company in which Mr D Smith (a trustee until 12 October 2020) has a majority interest:

The academy trust purchased School Improvement Partner Services from Proactive Education Services Limited totalling £Nil (2020 - £10,019). There were no amounts outstanding at 31 August 2021 (2020 - £Nil).

The academy trust made the purchase at arms' length in accordance with its financial regulations, which Mr D Smith neither participated, nor influenced. The service was not competitively tendered due to the specialist nature of the service provided. In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook.

The Adelaide Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

31. Transfer out on academies leaving the academy trust

On the 1 May 2021 the following schools transferred out of The Adelaide Academy Trust; Adelaide School, Finch Woods Academy and Adelaide Heath Academy.

	Transfer out of academies leaving the Trust £
Intangible assets	
Development	2,166
Tangible fixed assets	
Long-term leasehold property	5,251,273
Leasehold improvements	755,652
Furniture and equipment	7,132
Computer equipment	79,510
Motor vehicles	40,761
Current assets	
Debtors due after one year	1,235,140
Cash at bank and in hand	968,930
Liabilities	
Creditors due within one year	(1,167,073)
Pensions	
Pensions - pension scheme assets	1,997,000
Pensions - pension scheme liabilities	(4,530,000)
Net assets	<u>4,640,491</u>

The above table summaries the assets and liabilities that have been transferred into Manor Hall Academy Trust on 1 May 2021.