

**The Diocese of Sheffield Academies Trust
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2023**



**THE
DIOCESE OF
SHEFFIELD
ACADEMIES
TRUST**

WEDNESDAY



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COMPANIES HOUSE

**The Diocese of Sheffield Academies Trust
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for the Year Ended 31 August 2023**

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The Diocese of Sheffield Academies Trust

Reference and Administration for the Year Ended 31 August 2023

Members

William Huw Thomas, representing the Diocese of Sheffield Education Trust
Bishop Sophie Jelley, Chair of the Diocesan Board of Education
Derek Grover
Revd Stephen Gardner
Alan Richards
Casey Strine

Trustees

Andrew Waldron
William Huw Thomas
James Dugmore
Mark Wheeler
Lindsey-Jane Buxton
Zoe Lintin
Heid Adcock (resigned 10th October 2022)
Robert Peace (appointed 10th October 2022)
David Moore (appointed 10th October 2022)
Isy Okhuoya (appointed 10th October 2022)

Key Management Personnel

Andrew Waldron - Chief Executive Officer
Alison Adair – Deputy CEO
Jenny Birks – Head Teacher
Rebecca Allard – Executive Head
Deborah Ball – Executive Head
Victoria Sherwood – Head of School
Sharon Patton – Executive Head
Maureen Andrews – Executive Head
Leyton McHale – Head Teacher
Carolyn Buckley – Head Teacher
Adam Cornes – Head of School
Julie Armitage – Head Teacher
Philippa Cousins – Head Teacher
Amy Gurner – Head Teacher
Rhea Kurcewicz - Head Teacher

Karen Miller – Head of School
Emma Minhas – Head of School
Alexandra Hall – Head of School
Rebecca Webster – Acting Head of School
Caroline Brown – Head of School
Melissa Drake – Head of School
Jackie Shelton – Head of School
Maria Allen – Head of School
Hannah Lambert – Head of School
Nevine Towers – Head of Business and Operations
Daniel Hilton – Head of IT
Alison Bradley – People Director
Clare Sturman – Chief Finance Officer
Wendy Lloyd – Buildings Manager
Lynn Newby – Buildings Manager

Company name:	The Diocese of Sheffield Academies Trust (DSAT)
Principal and Registered office:	Flanderwell Early Excellence Centre, Greenfield Court, Flanderwell, Rotherham, S66 2JF
Company Registration Number:	08745639 (England and Wales)
Independent auditor:	Xeinadin Audit Limited, Sidings House, Sidings Court, Lakeside, Doncaster DN4 5NU
Bankers:	Royal Bank of Scotland, Attercliffe Road, Sheffield
Solicitors:	Wrigleys Solicitors LLP, 19 Cookridge Street, Leeds LS2 3AG

The Diocese of Sheffield Academies Trust

Trustees Report for the Year Ended 31 August 2023

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2022 to 31st August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates academy schools for children within the area covered by the Diocese of Sheffield. It has seventeen academies, all primary schools, fifteen of which are Church of England schools and two a community school.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Diocese of Sheffield Academies Trust (DSAT) are also the directors of the charitable company for the purposes of company law. The charitable company is commonly known by the acronym DSAT.

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.

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.

Trustees' Indemnities

A trustee may benefit from any indemnity insurance purchased at the academy trust's expense to cover the liability of the trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy trust: Provided that any such insurance shall not extend to any claim arising from any act or omission which the trustees knew to be a breach of trust or breach of duty or which was committed by the trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as directors of the academy trust.

The trust has opted into the government's Risk Protection Arrangement as the means whereby UK government covers risks rather than insurance. Included within the RPA scheme is unlimited coverage for all sums the academy may become legally liable to pay (including claimants' costs and expenses) following death, injury or disease sustained by employees and arising out of and in the course of their employment by the academy and sums the academy may become legally liable to pay (including claimants' costs and expenses) as damages in respect of accidental third-party injury or third-party property damage. The RPA covers Governors' Liability Expenses to the level of £10,000,000 any one loss and any one membership year.

Method of Recruitment and Appointment or Election of Trustees

Directors are recruited and appointed to meet identified needs or the required skills on the board. Recommendations can be made by Directors to the members who agree by majority voting to appoint to the board.

Policies and Procedures Adopted for the Induction and Training of Trustees

New trustees are inducted by the Board through the support of experienced directors.

Organisational Structure

The Diocese of Sheffield Academies Trust affirms the concept of the parish school that is for and from the parish church and community.

The Diocese of Sheffield Academies Trust

Trustees Report for the Year Ended 31 August 2023

The Trustee Body is responsible for agreeing all policies covering Personnel, Health & Safety, Curriculum and Financial aspects of the work of all academies within The Diocese of Sheffield Academies Trust (DSAT). Policies set at individual academy level are reviewed and agreed by Directors and Governors.

The full Trustee Body currently meets at least once every half term. This is considered to be a full Board meeting at every occurrence. Termly meetings are held with Headteachers, Chairs and Vice Chairs of Governors. Regular meetings of Headteachers and Business Managers are also held.

The Trustee Board delegate the day-to-day management of the academies to the DSAT Central Team, who, in turn, will delegate to the school leadership. The individual academies are also supported by Local School Boards that operate in an advisory capacity. The Scheme of Delegation outlines in detail how authority is delegated. This is reviewed annually. The recent year's significant change has been the move from delegated authority to Local Governing Bodies that no longer operate within our academies.

The Directors also comprise the Risk, Audit and Finance Committee:

Andrew Waldron - Accounting Officer & Chief Executive Officer

William Huw Thomas - Director

James Dugmore - Director & Chair

Mark Wheeler - Director

Lindsey-Jane Buxton – Director

Robert Peace – Director

David Moore – Director

Zoe Lintin – Director

Isy Okhuoya - Director

The Finance committee bears the responsibilities to:

- support the aims and ethos of the trust, focusing on the quality and extent of the provision of premises and equipment;
- advise the governing body/local school board on strategic priorities for the maintenance and development of the school's premises and grounds, security and Health and Safety, for inclusion in the Developing Excellence/School Improvement Plan;
- establish and implement a repairs and maintenance programme, within the budget established by the governing body, and in accordance with the priorities within the Developing Excellence/School Improvement Plan;
- review on an annual basis the school's Health and Safety policy, and approve any amendments as necessary;
- ensure that the school complies with Health and Safety regulations, in accordance with the Health and Safety policy;
- review on an annual basis the school's lettings policy for use of school premises outside school hours and determine the level of charges for such lettings;
- establish, and keep under review, an Accessibility Plan, which meets the requirements of the Disability Discrimination Act 1995 to oversee the preparation and implementation of appropriate contracts, including the cleaning, grounds maintenance and school meals and ensure Best Value principles are applied;
- monitor the quality of service provided by the above in accordance with the agreed contracts;
- ensure that premises insurance arrangements are adequate.

Arrangements for setting pay and remuneration of key management personnel

The trust employs key management personnel to facilitate the work of the trust. The key management personnel have an annual performance management review carried out by their line manager. In the case of Headteachers and Executive Headteachers, this is the CEO who is supported by the Deputy CEO. The findings of these reviews are then used as a foundation for remuneration discussions within a prescribed pay banding. The remuneration proposals are then agreed by the Local Governing Body, the CEO of the trust and the Head of School improvement. The CEOs and Deputy CEOs remuneration packages were agreed in consultation with the Chair of the board and directors. The remuneration packages were benchmarked against other CEOs within Multi Academy Trusts of a similar size. The services of the Diocesan Director of Education have been rendered by the Diocese for a number of years.

The Diocese of Sheffield Academies Trust

Trustees Report for the Year Ended 31 August 2023

Salaries of the Head of Business and Operations, Chief Finance Officer, People Director and Head of ICT were benchmarked against similar roles within MATs with comparable pupil numbers. The final remuneration package was agreed by Directors. Performance management reviews of these roles are undertaken on an annual basis.

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or which significantly influence the decisions and operations of The Diocese of Sheffield Academies Trust (DSAT).

Trade Union Facility Time

There were no union officials during the relevant period and therefore no further information is provided in this report.

Engagement with employees

The Trust encourages the involvement and engagement of its employees through regular communication including weekly staff meetings, termly Leadership meetings with the Executive team, regular surveys and emails to all staff.

It is the responsibility of the Senior Leadership Team to disseminate information to employees, (including financial and economic factors affecting performance of the Trust) and for receiving their views in important matters of policy.

The Trust's focus on employee wellbeing this year included the launch of the DSAT Well-being Charter and a whole Trust INSET day to support work-life balance. The Trust has also supported employees in various schools on a Wellbeing Champion apprenticeship to help colleagues and children to achieve positive mental health and wellbeing. There is a dedicated webpage centrally for all school staff to access this information through at www.dsat.education and this is encouraged. Regular email updates of information and signposting are sent to all staff and feedback is encouraged.

DSAT also engages with Trade Union representatives regularly and takes into account their views when making decisions which may affect their interests, for example policy development. During the year, the Trust set up a joint negotiating and consultative committee (JCNC) with Teacher and Support staff Trade unions. The group meets termly to discuss policy updates, issues affecting employees and to listen to any feedback.

The Trust is committed to engage with employees through regular pulse surveys relating to workload and wellbeing, and a whole trust equality diversity and inclusion survey was conducted during the year. The results are benchmarked against other schools nationally and a Trust action plan has been developed to further improve EDI strategy.

Equal opportunities and employment of disabled persons

DSAT is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove barriers, which place people at a disadvantage, and we will actively promote inclusion. This policy will be resourced, implemented and monitored on a planned basis. The Trust's Equal Opportunities Policy is available publicly on the Trust website.

The Trust's approach to recruitment and selection is designed to meet the standards set out in the Equality Act 2010 as a minimum. The academies consider all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. The Trust explores jointly with candidates whether there are any ways a job can be changed to meet specific requirements related to a disability. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues engaging with key stakeholders such as occupational health services and Access to Work.

DSATs policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. The academies seek to achieve the objectives set down in the Equality Act 2010.

The Diocese of Sheffield Academies Trust

Trustees Report For the Year Ended 31 August 2023

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

Delivering the Trust's strategy requires strong mutually beneficial relationships with:

- customers (pupils and their parents or carers);
- the wider community in which the Trust's academies are located including Local Authorities
- and other public sector organisations;
- the trust's regulatory agencies (the DfE and the ESFA) and other partners, which may include
- non-government grant funders;
- Suppliers.
- Local Authorities.

The Board of Trustees and Central Trust Team are responsible for maintaining collaborative and transparent relationships with appropriate members of the DfE and the ESFA and both the Chair of Trustees, CEO and other members of the Team work closely and participate in various working groups with the DfE, LAs and ESFA.

The CEO together with the Head of Business and Operations and Chief Finance Officer, are responsible for overseeing the Trust's procurement practices. When engaging with suppliers the Trust makes sure that suppliers are selected through fair and transparent competitive processes, ensuring value for money.

The Central Team and Headteacher along with the Building Managers (in relation to buildings contractors) manage ongoing relationships with key suppliers, as appropriate depending on the nature of goods or services provided by each supplier.

OBJECTIVES AND ACTIVITIES

In accordance with the Articles of Association the charitable company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things:

- that the school has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly-based curriculum) including English, mathematics and science;
- schools shall make provision for the teaching of religious education and provide a daily act of collective worship;
- that it provides education for pupils of different abilities;
- it also provides education for pupils who live within the area of the school.

The aims of the trust during the period ended 31 August 2023 are summarised below.

Mission Statement

The work of the trust is inspired and informed by the Church of England's Vision for Education. Though deeply Christian in inspiration this vision is explicitly written for, and offered to, all schools as an inclusive framework for education that opens for our children 'life in all its fullness'.

DSAT prides itself on its high expectations both for its pupils and its schools this translates to four key aspirations

- To create and sustain challenging, stimulating, nurturing and exciting learning experiences where all children achieve well and are keen to learn;
- To deliver outstanding teaching and learning for all pupils every day;
- To offer an inclusive framework for education that opens for our children "life in all its fullness";
- To empower leadership at all levels to drive improvements so that each school is aspirational and moves to its next level of performance.

Our Mission is for DSAT to be the number one choice for schools who wish to embrace the Multi Academy structure, the number one choice for teaching staff who wish to extend their influence across a number of schools and the number one choice for parents who want their children to reach the best they can be, but always with a smile and joy for learning.

The Diocese of Sheffield Academies Trust

Trustees Report for the Year Ended 31 August 2023

The DSAT Improvement Mission:

DSAT prides itself on its high expectations both for its pupils and its schools and this translates to four core aspirations:

- Good and outstanding teaching;
- Leadership, with vision, that delivers;
- Every child is able to reach their fullest potential;
- At least good progress made for all pupils and groups.

For our church academies we also seek a distinctive, Christian ethos.

High expectations are expected across the school day, with teaching and learning striving towards equal standards of subjects across the curriculum breadth. To support this, every child has targets in place for reading, writing and mathematics that are used to inform planning and support a dialogue with the child over their progress. Every child in DSAT accesses a broad and rich curriculum offer.

Although the information about children's current attainment provides a good understanding of children's next steps in learning, DSAT will ensure that we have the highest expectations of what children can do. We will also ensure that tasks do not limit children in terms of outcomes but enable them to acquire new learning beyond our expectations.

Teachers will discuss the children's challenging targets with them and instill the self-belief that will help them achieve this. Children will be able to talk about their targets, to judge their own success and to gauge their own progress towards their goals. All schools assess pupils learning regularly and DSAT have a standardised approach to testing which informs schools and the trust about precise gaps in learning.

Necessary interventions will be planned to ensure that all children will be able to achieve and gaps in learning are narrowed. These will include booster lessons, language intervention and homework clubs, same day interventions, but may also include interventions to improve children's social and emotional readiness for learning.

Objectives:

- At the heart of the Diocese of Sheffield Academies Trust is the goal of providing an excellent education for every child in every academy.
- DSAT will also expect at least "good" progress in KS1 and KS2, considering children's starting points from EYFS/ KS1. This will include comparing key areas from starting points with national data and comparing similar key areas at the end of KS1/ KS2. This will indicate good gains made across EYFS, KS1 and KS2 using this comparative data. The expectation is for children to make rapid progress that is sustained across their years in the primary school.
- The trust aims to maintain the distinctive Diocesan identity of church schools and to provide a collegial Diocesan family for schools wishing to convert to academy status. It also provides a means of sponsorship for any schools facing enforced academy conversion.
- It operates in accordance with the following principles:
 - The Diocese of Sheffield Academies Trust affirms the concept of the parish school that is for and from the parish church and community;
 - We seek to support the autonomy of our schools, under effective leadership, and to encourage them to flourish. In educational leadership terms, the trust is committed to the integrity of local governing bodies. The trust works in close partnership with governors and values their insights and input as local 'feet on the ground'. While the trust has ultimate accountability, it places importance on the support local governors provide;
 - An effective combination of centrally driven improvement alongside effective monitoring to ensure that our schools demonstrate a high standard of provision;
 - The trust seeks to secure a positive, effective and communicative relationship with each of its schools.

The Diocese of Sheffield Academies Trust

Trustees Report for the Year Ended 31 August 2023

- Through working with school leadership and business support, the trust seeks to foster the wellbeing and development of schools from within. We also aim, with agreement with our schools, to enable and facilitate working across the trust. There is a strong system leader network, with a focus on partnering to improve each other. Lead Practitioners (LPDs – Lead Practitioners for DSAT) engage in coaching and deliver training across our schools, supported by one of our headteachers. Our Head of School Improvement leads a variety of school improvement activities in all of our schools on a regular basis.

Public Benefit

Consideration has been given to Charity Commission guidance on public benefit when reviewing these objectives, aims and activities. The trust will continue to provide education to children that:

- Is broad and balanced.
- Provides the spiritual, moral, cultural, mental and physical development of students at the Academy.
- Prepares students for the opportunities, responsibilities and experiences of later life.
- Promotes, sustains and increases individual and collective knowledge and understanding of study, skills and expertise.

The Diocese of Sheffield Academies Trust
Trustees Report
For the Year Ended 31 August 2023

STRATEGIC REPORT

Achievements and Performance

All of our DSAT schools are now graded Good or Outstanding by Ofsted. Over this last academic year, 2022-23, four schools have been inspected: St Mary's CE Primary Academy in October 2022 (Good), Aston All Saints CE Primary School in October 2022 (Good), Trinity Croft CE Primary School in May 2023 (Good), Emmanuel Junior Academy in June 2023 (Good). In addition, a school who was working closely with us at the time, Swallownest Primary School, and who joined DSAT this summer, was inspected in March 2023 and moved from RI to Good. At the end of Key Stage 2, Key Stage 1 and Foundation Stage 2023, the trust performed in line with national averages at the expected standard. We performed above national in our phonics assessment at Year One.

Overview: DSAT KS2 All Pupils Expected standard 2022 and 2023				
	RWM Exp KS2	Maths Exp KS2	Reading Exp KS2	Writing Exp KS2
All Pupils 2022	58.6%	72%	72%	72%
All Pupils 2023	58.4%	72%	70.4%	73% ↑
DSAT KS1 All Pupils Expected standard 2022 and 2023				
	RWM Exp KS1	Maths Exp KS1	Reading Exp KS1	Writing Exp KS1
All Pupils 2022	55.6%	70.6%	67.5%	58.4%
All Pupils 2023	60% ↑ (national 58.5)	79.5% ↑ (national 72%)	68% ↑ (national 70.2%)	62% ↑ (national 66.6%)
DSAT GLD EYFS 2022 and 2023				
GLD 2022 all pupils	66%			
GLD 2023 all pupils	↑ 69.4% (national 67.3%)			
DSAT Phonics Y1 2022 AND 2023				
PHONICS Y1 2022	82.6%			
PHONICS Y1 2023	82.3% (national 79%)			

DSAT continued to work alongside staff teams and school leadership to drive improvements. This included:

- Developing leadership teams over last year in all schools to ensure they are 'ofsted ready'. This has included reviewing curriculum programmes of study and teaching and learning, reviewing behaviour and personal developing and monitoring the effectiveness of safeguarding.
- Continuing to develop the practice of Executive Heads, Headteachers and Heads of School, ensuring that they become sufficiently developed in their expertise to enable succession planning.
- Ensuring that staff are trained to teach in a way that promotes the 'science of memory', thus ensuring that children know and remember more. In Autumn 2022, the trust held their second joint INSET day to further explore aspects of our common approach to pedagogy: the DSAT 'Teach Simply' approach.
- Supporting leaders at all levels, including subject leads, through training networks and hubs.
- Training for leaders and staff to adapt teaching to meet the needs of vulnerable pupils, including pupils in receipt of Free School Meals and pupils with Special Educational Needs.

The Diocese of Sheffield Academies Trust
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FINANCIAL REVIEW

Going Concern

Before actuarial gains on the pension scheme of £2.753m (2022: £11.760 gain), the trust incurred net income of £3.588m (2022: £404k net expenditure). Excluding movements in the pension deficit and fixed asset reserve, general funds available to each academy in the trust decreased by £204k (2022: £589k increase), with the average funds available for spending per academy at £183k (2022: £219k). Further details regarding the fund analysis can be found per note 16. Forecasts for the 2023/24 year indicates that it has sufficient funds to continue to operate for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

The majority of the multi academy's income is obtained from the Education Schools Funding Agency (ESFA) in the form of the recurrent grants, the use of which is restricted to purposes. The grants received from the ESFA during the period ended the 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The most substantial of these ESFA grants was the General Annual Grant (GAG) which amounted to £16.564m or 75% of the trusts total grant income (2022: £15.315m / 75%). The Academy Trust also received other central government grants, the use of which is restricted to particular purposes and other income from hire of facilities, income from visits and after-school club. Notes 3 and 4 disclose the academies trust's incoming resources in further detail. The trust received £783k (2022: £494k) in capital grants in the year which consisted of devolved formula capital, energy efficiency grant and school conditional allocation funding and other capital grants which is recorded in the restricted fixed asset fund.

During the year, Swallownest Primary and Travis St Lawrence Primary converted from Local Authority status and joined DSAT. Upon conversion a total of £4.928m net income has been recognised on the SOFA / Net Assets, represented by £5.396m to the Fixed Asset Reserve, £160k of budget surplus to Unrestricted Reserves and a £628k pension deficit to Restricted Reserves. Further details per note 18.

Total incoming resources in the year to 31 August 2023, extracted from the face of the Statement of Financial Activities, totalled £28.054m (2022: £20.356m) of which £4.928m was transferred from Local Authority on conversion.

During the year-ended 31 August 2023, total expenditure in relation to the trust's education operations amounted to £24.466m (2022: £20.760m). The majority of the trust's expenditure was incurred by staff costs, details of which can be found per note 9.

The total funds carried forward at 31 August 2023 was a surplus of £17.628m (2022: £11.287m). Included within the surplus funds carried forward is a pension fund deficit of £2.669m (2022: £3.369m) and fixed asset reserves fund of £16.999m (2022: £11.154m), of which £16.088m (2022: £10.548m) is tied up in tangible fixed assets. If the pension deficit and restricted fixed asset funds are excluded and we look at the general funds available for spending in isolation, the funds available to the trust are £3.298m (2022: £3.502m). Further details of individual school general fund carry forwards can be found per note 16, page 41.

An actuarial gain of £2.753m (2022: £11.760m) arose on the Academy Trust's share of the Local Government Pension Scheme (LGPS). The 2022 gain was exception due to an significant increase in the net discount rate applied on the scheme liabilities. There were also £1.425m (2022: £1.351m) of finance costs occurred in the year to 31 August 2023 in operating the MATs pension scheme. The pension fund reserve deficit of £2.669m is to be funded by additional contributions per annum in addition to normal funding levels. It is anticipated that the additional contributions will be paid over a period of 32 years and so an immediate liability does not crystallise.

The trust showed a net increase in funds in the year of £6.341m (2022: decrease £11.356m) which in return resulted in the balance sheet net asset position of £17.628m (2022: £11.287m). This increase comprises of the following key items: fixed assets transferred on conversion of Swallownest and Travis of £5.396m, actuarial gain on pensions of £2.753m, pension costs as a result of the LGPS revaluation of 1.425m. The trust was holding SCA, Energy Efficiency & DFC funding of £911k at 31 August 2023. See funds note 16 for further detail.

The Diocese of Sheffield Academies Trust
Trustees Report
For the Year Ended 31 August 2023

Each of the individual Academies in the Trust completes a five-year financial budget plan. This is continually monitored to maintain a surplus budget. Each school maintains reserves above the reserve contingency limit, and this is controlled as part of the monitoring process. All schools were running at a budget surplus as at 31 August 2023. Directors to the Trust, include financial expertise, educational expertise, HR expertise, public relations expertise and expertise in safety and risk management. With these colleagues in place and the five-year plans submitted from each Academy the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The trust has set a budget projected over five years in which it is anticipated it will make a surplus. The principal sources of funding are the retained portions of delegate budgets (the 'top slice'). The trust aims to maintain this at the minimal level of 3.73% with variations made for schools in particular need wherein the trust may need to resource support.

The principal expenditures have been the support work of the Business and Operations Officer, the Chief Finance Officer, the leadership, and direction costs associated with the CEO and the Head of School Improvement for its academies.

Reserves Policy

The Academy Trust Board reviews the level of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. It is the trustees' policy to maintain a minimum level of free reserves of £800,000 or 5.25% of GAG income, whichever is the highest. Free reserves represent all Reserves excluding Pension and Fixed Asset Reserves. Surplus Reserves can be used for future education purposes in line with each academy's development plan. The trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academies' Financial Handbook produced by the DFE. Academies with reserves either below the minimum or in excess of the upper limit will be reviewed by the Board of Trustees to rectify issues where they arise. Schools may be asked to provide evidence of why they are retaining any surplus over 8.5% of their annual GAG income and what their future plans are in relation to this.

Current Free Reserves	£3.298m
Minimum Reserves Policy	£800,000

Reserve levels are strategically monitored and utilised in conjunction with long term forecasts / future projected requirements. We note that reserves appear high at the year-end but this is intentionally so to fund future large capital project spends from GAG and as a reaction to projected falling pupil numbers in certain catchment areas falling into the MATs remit. Having taken account of the risks to which the Trust is exposed, the trustees consider the current level of reserves to be appropriate.

As the academies are on census-based pupil number funding, the Academy Trust is not subject to any limit on the amount of General Annual Grant that may be carried forward, thus allowing the trustees to ensure that adequate reserves may be built up.

The restricted Fixed Asset fund may only be realised by disposing of tangible fixed assets. The balance at 31 August 2023 was £16.999m.

In accordance with FRS 102, it is necessary to charge projected pension scheme deficits to the Restricted General Fund for those pension schemes where the assets and liabilities of the scheme can be separately identified. It should be noted that this is an accounting estimate of a long-term liability which has not crystallised and has no immediate impact on the Academy Trust's liquidity.

Investment Policy

The Academy Trust does not hold investments other than Cash at Bank. Governors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Governors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

The Diocese of Sheffield Academies Trust
Trustees Report
For the Year Ended 31 August 2023

Investment Policy (Continued)

Governors' management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. Banks must be selected from the FCSA Approved list included in the Financial Services Compensation Scheme (FSCS).

Principal Risks and Uncertainties

The trust maintains an up-to-date risk register and business continuity plan to help mitigate the main risks and uncertainties it faces. The principal risks and uncertainties facing the trust are as follows:

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Strategic Risks

- An academy in the trust receiving a negative Ofsted outcome – mitigated by shared development between academies and strong expectations and monitoring arrangements for the trust.
- The loss of key staff mitigated by a robust succession plan and staff development. Uncontrollable events e.g. fire, flood – mitigated by renewal of insurance with RPA
- Change in Government Policy – mitigated by links with the National Society and use of Wrigleys Solicitors for advice and support

Financial Risks

The Academy Trust is operating in a period of political and financial uncertainty with regards to public funding. Financial planning is focused on offering the best possible provision in the context of diminished public funding. Governors and Trustees have assessed the trusts financial risks and addressed in the risk register. The risks are:

- Inaccurate or insufficient information – mitigated by regular financial reporting to the trust and central support to complete budget monitoring returns
- Poor cash flow or limited reserves – mitigated by monthly bank reconciliations, budget monitoring and production of cash flow forecasts and academy reserves
- Unsuitable financial systems – mitigated by expert advice and training to ensure systems meet trust requirements.

Reputational Risk

The continuing success of the academy depends upon offering the best possible education to all our pupils. The trust therefore deems it important that regular governors' meetings are held to allow for a critical review and close monitoring of the achievements and success of the students.

Fundraising

Potential fundraising and external income generation opportunities are regularly discussed at the Finance and Operations meetings. The main source of fundraising is from grant awarding bodies such as Awards for All and the Church Burgess Trust. Schools will share knowledge of available funding and share information of any new grants that are available to schools and that they have successfully applied for.

Plans for Future Periods

The trust now plans to grow by a further 3 schools over the next 1 to 3 years to give 20. At the time of writing this report the trust has received a request from a Barnsley school and a Rotherham school to join The Diocese of Sheffield Academies Trust.

The trust retains openness towards approaches from all schools, not just church schools, wishing to join or being required to join, by the DFE.

The trust will continue to review major purchase contracts in order to achieve best value for money for all schools within DSAT. The savings made on these areas will be reinvested in the front-line education of pupils. Internal cost benchmarking will aim to create a hypothetical 'model' school in terms of cost management. This will be used to assess and validate practices that are outside of the 'model'. During the last year payroll services were brought inhouse, within the next twelve months it is anticipated that a new telephone contract and catering contract will be awarded. The driver behind this change is to reduce cost but also to improve service provision. Where possible we will continue to develop our Executive Head model.

The Diocese of Sheffield Academies Trust
Trustees Report
For the Year Ended 31 August 2023

The growth of the Diocese of Sheffield Academies Trust will facilitate a greater infrastructure within the Central Services Team and enable optimum procurement activities enabling greater savings across the Trust.

Auditor

The trust's auditor is Andrew Cribb FCA of Xeinadin Audit Limited.

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 December 2023 and signed on the board's behalf by:


Huw Thomas
Trustee

The Diocese of Sheffield Academies Trust

Governance Statement

For the Year Ended 31 August 2023

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that DSAT 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.

The board of trustees has delegated the day-to-day responsibility to the Diocesan Director of Education for the Diocese of Sheffield, 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 Diocese of Sheffield Academies Trust (DSAT) and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Members	Attendance	Out of a possible
William Huw Thomas – Chair of Trustees and Member	7	7
Alan Richards	1	1
Dereck Grover	1	1
Casey Strine	1	1
Bishop Sophie Jelley	0	1
Trustees	Attendance	Out of a possible
Andrew Waldron – Chief Executive Officer	7	7
Robert Peace	6	7
James Dugmore	6	6
Lindsey-Jane Buxton	0	7
Mark Wheeler	5	7
Zoe Lintin	4	6
David Moore	4	7
Isy Okhuoya	3	6
Central Staff	Attendance	Out of a possible
Alison Adair – Head of Teaching and Learning, Deputy CEO	6	7
Nevine Towers – Head of Business and Operations	7	7
Clare Sturman – Chief Finance Officer	7	7
Alison Bradley – People Director	6	7

The CEO does not have voting rights.

The Director Board functions as the finance and general purposes committee board of trustees. Its purpose is to:

- Support the aims and ethos of the trust, focusing on the quality and extent of the provision of premises and equipment.
- Advise the governing body on strategic priorities for the maintenance and development of the school's premises and grounds, security and Health and Safety, for inclusion in the Developing Excellence/School Improvement Plan.
- Establish and implement a repairs and maintenance programme, within the budget established by the governing body, and in accordance with the priorities within the Developing Excellence/School Improvement Plan.
- Review on an annual basis the school's Health and Safety policy, and approve any amendments as necessary.
- Ensure that the school complies with Health and Safety regulations, in accordance with the Health and Safety policy.
- Review on an annual basis the school's Lettings policy for use of school premises outside school hours and determine the level of charges for such lettings.

The Diocese of Sheffield Academies Trust
Governance Statement
For the Year Ended 31 August 2023

- Establish, and keep under review, an Accessibility Plan, which meets the requirements of the Disability Discrimination Act 1995 to oversee the preparation and implementation of appropriate contracts, including the cleaning, grounds maintenance and school meals and ensure best value principles are applied.
- Monitor the quality of service provided by the above in accordance with the agreed contracts.
- Ensure that premises insurance arrangements are adequate.

The Diocese of Sheffield Academy Trust Board of Directors has resolved to establish an Audit/Risk and Finance Committee to advise the Board on matters relating to the Trust's finance and audit arrangements, systems of internal control and to advise and aid the Board's responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring, probity and risk. The Audit/Risk and Finance Committee is responsible to the Trust Board. The Committees Terms of Reference are adopted by the Board and may only be amended with the approval of the Board. The audit and risk committee is a sub-committee of the main board of trustees. Its purpose is to:

- Fulfil its responsibilities as set out in these Terms of Reference in line with the Academies Trust Handbook, the Trust's Financial Regulations and in compliance with the Funding Agreement with the Secretary of State of Education.
- ensure sound management of the Trust's finances and resources, including proper planning, monitoring, probity and value for money.
- advise the Board and Accounting Officer on the adequacy and effectiveness of the Trust's governance, risk management, internal control and value for money systems and frameworks;
- advise the Board on the appointment, re-appointment, dismissal and remuneration of the external auditor, audit procedures and show value for money.
- advise the Board on the need for and then, where appropriate, the appointment, reappointment, dismissal and remuneration of an internal auditor or other assurance provider;
- advise the Board on an appropriate programme of work to be delivered by independent assurance providers. This programme of work should be to be derived from the Audit/Risk and Finance Committee's regard of the key risks faced by the Trust, the assurance framework in place and its duty to report to the Board;
- establish and monitor KPIs with regard to the performance of the external auditor, internal auditor, School Business Managers or other assurance providers;
- advise the board on any financial and non-financial risks;

Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Attendance	Out of a possible
William Huw Thomas – Chair of Trustees and Member	7	7
Andrew Waldron – Chief Executive Officer	7	7
Robert Peace	6	7
James Dugmore	6	6
Lindsey-Jane Buxton	0	7
Mark Wheeler	5	7
Zoe Lintin	4	6
David Moore	4	7
Isy Okhuoya	3	6
Central Staff	Attendance	Out of a possible
Alison Adair – Head of Teaching and Learning, Deputy CEO	6	7
Nevine Towers – Head of Business and Operations	7	7
Clare Sturman – Chief Finance Officer	7	7
Alison Bradley – People Director	6	7

The Diocese of Sheffield Academies Trust
Governance Statement
For the Year Ended 31 August 2023

Review of Value for Money

As Accounting Officer Andrew Waldron 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. Through the work of the trust and its Finance Directors the Accounting Officer for the academy trust has delivered improved value for money during the year by reviewing arrangements for financial management of the trust and utilising the capacity within the trust, consolidating arrangements for audit and reviewing bought-in services procured by individual academies.

The Board has secured value for money through actions such as:

- The commissioning of building managers contracted to work across all schools, leading to a reduction in premises expenses;
- The appointment of Wrigley Solicitors as Legal support service to all schools within the trust;
- The renewing of RPA insurance, leading to savings on items such as governor liability insurance;
- Appointment of a Head of Business and Operations and a School Improvement Executive to develop capacity, drive forward change and improve results within the trust;
- The Key, Governorhub, staffsafe and CPOMS subscription have been negotiated at a reduced rate;
- Large procurement activities including catering, Pupil Database, Finance System and photocopier contracts;
- Responsible officer visits;
- Finance Visits to schools;
- HR;
- Payroll;
- Auditors;
- Training.

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 DSAT academy trust for the period 1 February 2015 to 31 August 2023 and up to the date of approval of the annual report and financial statements. The process of internal control has been monitored and reviewed by two Responsible Officers.

The Responsible Officers have conducted three visits at each of the Academies within the trust in the year ending 31 August 2023. During these visits all major areas of financial control were investigated and tested. This included testing a sample of all income due to the Academies. Expenditure was also tested including a sample of payroll transactions. Reports and minutes of governor's meetings were also reviewed to ensure they were suitable and sufficient. Subsequent responsible officer visits are planned for next financial year.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating, and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2023 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 Diocese of Sheffield Academies Trust
Governance Statement
For the Year Ended 31 August 2023

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. It includes:

- comprehensive budgeting setting and budget monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees have considered the need for a specific internal audit function and has appointed an Internal Auditor, Hart Shaw Chartered Accountants and Business Advisors. Hart Shaw have been instructed to carry out the internal audits of DSAT. The purpose of their reviews is to assist the trustees in fulfilling the requirements of the Academies Financial Handbook (section 2.9) by carrying out a detailed review of the financial systems and controls within the academy trust.

Review of Effectiveness

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

- The work of the internal auditor.
- The work of the external auditor.
- The financial management and governance self-assessment process.
- 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 **finance and general purposes committee** and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13 December 2023 and signed on its behalf by:



Huw Thomas
Trustee



Andrew Waldron
Accounting Officer

The Diocese of Sheffield Academies Trust
Statement of Regularity, Propriety and Compliance
For the Ended 31 August 2023

As accounting officer of DSAT I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety, and non-compliance with EFA terms and conditions of funding, 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 Trust Handbook 2022/23.

I confirm that I and the academy trust board of trustees can identify any material irregular or improper use of 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 Trust Handbook 2022/23.

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



Andrew Waldron
Accounting Officer
13 December 2023

The Diocese of Sheffield Academies Trust

Statement of Trustees' Responsibilities for the Year Ended 31 August 2023

The trustees who act as governors of DSAT and 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 Annual Accounts Direction published by the Education 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 in the Charities SORP 2019;
- 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 13 December 2023 and signed on its behalf by:



Huw Thomas
Trustee

The Diocese of Sheffield Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of The Diocese of Sheffield Academies Trust

Opinion

We have audited the financial statements of The Diocese of Sheffield Academies Trust for the year ended 31 August 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements including a summary of significant accounting policies. The Financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (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 Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

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

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 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Diocese of Sheffield Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of The Diocese of Sheffield Academies Trust

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 the 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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 statement of Trustees Responsibilities set out on page fourteen, the trustees (who are also the directors of the charitable company for the purpose 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.

Our responsibilities for the audit of the financial statements

Our objectivities 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 a Report of the independent Auditors that includes our opinion. Reasonable assurance is high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The Diocese of Sheffield Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of The Diocese of Sheffield Academies Trust

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a long horizontal stroke and a loop.

Andrew Cribb FCA (Senior Statutory Auditor)

For and on behalf of

Xeinadin Audit Limited
Statutory Auditors
Sidings House
Sidings Court
Doncaster
South Yorkshire
DN4 5NU

Date: 13/12/2023

The Diocese of Sheffield Academies Trust

Independent Reporting Accountant's Report on Regularity to the Diocese of Sheffield Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2022 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Diocese of Sheffield Academies Trust during the year 1 September 2022 to 31 August 2023 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 Diocese of Sheffield Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Diocese of Sheffield Academies Trust and the 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 Diocese of Sheffield Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Diocese of Sheffield Academies Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Diocese of Sheffield Academies Trust's funding agreement with the Secretary of State for Education dated June 2014 and the Academies Financial Handbook extant from 1 September 2022, 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 2022 to 2023. 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 from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Ensuring value for money is sought for all goods & services procured by the academy, including those procured from related parties of the academy.
- Consideration of the evidence supporting the accounting officer's statement of regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust.
- Ensuring that fixed asset additions are made in line with the terms of the funding received and that fixed asset disposals are properly authorised by the DfE.
- Ensuring that expenditure incurred through the academy bank account and debit card is appropriate for the purposes of the academy and that there has been no personal expenditure from the academy's funds.

The Diocese of Sheffield Academies Trust

Independent Reporting Accountant's Report on Regularity to the Diocese of Sheffield Academies Trust and the Education and Skills Funding Agency

- Ensuring pension contributions are paid to the respective schemes in a timely manner.
- Ensuring returns required by regulatory or funding authorities are completed on a timely basis.
- Ensuring there is sufficient and appropriate risk management.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant - Andrew Cribb FCA
Xeinaidin Audit Limited
Sidings House
Sidings Court
Doncaster
South Yorkshire
DN4 5NU

Date: 13/12/2023

The Diocese of Sheffield Academies Trust
Statement of Financial Activities
for the Year Ended 31 August 2023

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2023 £000	Total 2022 £000
Income and endowments from:						
Donations and capital grants	2	61	28	783	872	593
Donations - transfer from local authority on conversion	19	160	(628)	5,396	4,928	-
Other trading activities	4	214	122	-	336	300
Investment income	5	46	-	-	46	2
Charitable activities:						
Funding for the academy trust's educational operations	3	-	21,872	-	21,872	19,461
Total		<u>481</u>	<u>21,394</u>	<u>6,179</u>	<u>28,054</u>	<u>20,356</u>
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6, 8	36	-	-	36	20,512
Other		-	23,673	501	24,174	248
Reclassification of church land		-	256	-	256	-
Total resources expended		<u>36</u>	<u>23,929</u>	<u>501</u>	<u>24,466</u>	<u>20,760</u>
Net incoming / (outgoing) resources		445	(2,535)	5,678	3,588	(404)
Gross Transfer between funds	16	(214)	47	167	-	-
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension schemes	25	-	2,753	-	2,753	11,760
Net movement in funds		<u>231</u>	<u>265</u>	<u>5,845</u>	<u>6,341</u>	<u>11,356</u>
Reconciliation of funds						
Total funds brought forward		<u>1,140</u>	<u>(1,007)</u>	<u>11,154</u>	<u>11,287</u>	<u>(69)</u>
Total funds carried forward		<u>1,371</u>	<u>(742)</u>	<u>16,999</u>	<u>17,628</u>	<u>11,287</u>

The notes form part of these financial statements

The Diocese of Sheffield Academies Trust
Balance Sheet
At 31 August 2023

	Notes	2023 £000	2023 £000	2022 £000	2022 £000
Fixed Assets					
Tangible assets	13		16,088		10,548
Current assets					
Debtors	14	649		461	
Cash at bank and in hand		4,947		4,920	
		<u>5,596</u>		<u>5,381</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(1,387)</u>		<u>(1,273)</u>	
Net current assets			<u>4,209</u>		<u>4,108</u>
Total assets less current liabilities			<u>20,297</u>		<u>14,656</u>
Net assets excluding pensions liability			<u>20,297</u>		<u>14,656</u>
Pension scheme liability	26		<u>(2,669)</u>		<u>(3,369)</u>
Total net assets			<u>17,628</u>		<u>11,287</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	16,999		11,154	
General fund	16	1,927		2,362	
Pensions reserve	26	<u>(2,669)</u>		<u>(3,369)</u>	
Total restricted funds			<u>16,257</u>		<u>10,147</u>
Unrestricted income funds					
General fund	16	<u>1,371</u>		<u>1,140</u>	
Total unrestricted funds			<u>1,371</u>		<u>1,140</u>
Total funds			<u>17,628</u>		<u>11,287</u>

The financial statements on pages 24 to 53 were approved by the trustees and authorised for issue on 13 December 2023 and are signed on their behalf by:



Huw Thomas
Trustee

The notes form part of these financial statements

The Diocese of Sheffield Academies Trust (DSAT)
Cash Flow Statement
for the Year Ended 31 August 2023

	Notes	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	(629)	398
Cash flows from financing activities	22	-	-
Cash flows from investing activities	23	496	320
Cash transferred on Conversion to an academy trust	24	160	-
Change in cash and cash equivalents in the reporting period		<u>27</u>	<u>718</u>
Cash and cash equivalents at 1 September 2022		4,920	4,202
Cash and cash equivalents at 31 August 2023	24	<u>4,947</u>	<u>4,920</u>

The notes form part of these financial statement.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1 Statement of Accounting Policies

Basis of Preparation of the Financial Statements

The financial statements of The multi-academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(Charities SORP FRS102), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Diocese of Sheffield Academies Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Further information on the academy trusts balance sheet is included in the Financial Review of the Trustees Report on pages 2 to 10. Accordingly, as explained in the Financial Review, the trustees continue to adopt the going concern basis in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

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

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on several factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to the financial statements, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projected results from the latest full actuarial valuation performed 31 March 2019 has been used by the actuary in valuing the pension liability at 31 August 2023. 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.

A critical area of judgement is the treatment of the church school premises. Control over the school premises leased from the Diocese is considered to remain with the Diocese and so this element is not recognised on the balance sheet. No notional donation or notional rental expense is recognised in the SOFA as the value the academy trust would have had to pay to secure the premises sufficient for its operations for the period cannot be reliably measured.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1 Statement of Accounting Policies (continued)

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 period is deducted from income and recognised as a liability.

Pupil Premium is recognised in the period of entitlement. Where entitlement occurs before income is received the income is accrued.

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

- **Sponsorship Income**

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

- **Donations**

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

- **Other Income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities. Upon sale, the value of the stock is charged against 'Income from other trading activities and the proceeds are recognised as 'Income from other trading activities. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust 's accounting policies.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1 Statement of Accounting Policies (continued)

- **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received. Details of in year transfers are set out in note 18.

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.

Tangible Fixed Assets

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

For church school premises that are not on the balance sheet the Accounts Direction requires that an annual donation for rent should be recognised equal to what the academy trust would have to pay to secure premises, if such a figure can be reliably measured. Since there is no open market for such transactions this amount cannot be reliably measured and so no donation has been recognised. Property expenditure on such premises are recognised as expenditure in the Statement of Financial Activity.

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.

Land occupied under long term leases of 125 years for nil rental are recognised in the academy trust accounts represented by the fair value of the "right to use" rather than the freehold.

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

Land and buildings	125 years over the lease term
Fixtures, fittings and equipment	5 years
ICT equipment	3 years

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1 Statement of Accounting Policies (continued)

Assets during construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date because 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.

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.

Leased Assets

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

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 basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instrument's 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.

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

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1 Statement of Accounting Policies (continued)

the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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.

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 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 includes grants from the Education & Skills Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

Disclosed per note 1, page 27.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

2 Donations and Capital Grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
Capital Grants	-	783	783	494
Other Donations	61	28	89	99
	<u>61</u>	<u>811</u>	<u>872</u>	<u>593</u>

Included in capital grants is £116k (2022: £101K) Devolved Formula Capital, £440k (2022: £393k) School Condition Allocation, £223k Energy Efficiency Grant (2022: £NIL) and £4k (2022: £NIL) of other capital grants.

3 Funding for the Academy Trusts Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
DfE / ESFA grants				
General Annual Grant (GAG)	-	16,564	16,564	15,315
Pupil Premium	-	1,373	1,373	1,180
School Supplementary Grant	-	463	463	-
UIFSM	-	452	452	390
PE & Sports	-	278	278	270
Mainstream School Additional Grant	-	259	259	-
Other DfE Grants	-	416	416	520
	<u>-</u>	<u>19,805</u>	<u>19,805</u>	<u>17,675</u>
Other Government grants				
Local authority grants	-	1,310	1,310	1,094
Special educational projects	-	440	440	375
	<u>-</u>	<u>1,750</u>	<u>1,750</u>	<u>1,469</u>
Other Income				
Non-government revenue	-	220	220	208
Other Income	-	97	97	105
	<u>-</u>	<u>317</u>	<u>317</u>	<u>313</u>
	<u>-</u>	<u>21,872</u>	<u>21,872</u>	<u>19,457</u>

There are no unfulfilled conditions at the year end with regards to the amounts included in the above government grants.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

4 Other Trading Activities

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£000	£000	£000	£000
Hire of facilities	23	-	23	35
Sale of goods and services	134	113	247	182
Other income	57	9	66	83
	214	122	336	300

5 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£000	£000	£000	£000
Interest	46	-	46	2

6 Expenditure

Non Pay Expenditure

	Staff Costs	Premises	Expenditure Other	Total 2023	Total 2022
	£000	£000	£000	£000	£000
Academies educational operations:					
- Direct costs	15,750	-	1,376	17,126	14,627
- Allocated support costs	2,836	1,613	2,891	7,340	6,133
Total	18,586	1,613	4,267	24,466	20,760

	Total 2023	Total 2022
	£000	£000
Expenditure for the year includes		
Operating lease rentals	39	40
Depreciation	189	145
Fees payable to Auditor for:		
- audit	26	22
- other services	4	4
Total	258	211

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

7 Analysis of Grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
Improvements to diocesan property occupied by trust	-	313	313	137

The site improvements made to diocesan property occupied by the academy trust were recognised as expenditure in the SOFA under allocated support costs.

8 Charitable Activities

	Total 2023 £000	Total 2022 £000
Direct costs – educational	17,126	14,627
Support costs – educational	7,340	6,133
	24,466	20,760

	Total 2023 £000	Total 2022 £000
Analysis of Support Costs		
Support staff costs	2,835	2,454
Premises costs	1,092	748
Technology costs	141	167
Energy costs	511	296
Pension costs	1,425	1,351
Other support costs	1,081	902
Governance costs	255	215
	7,340	6,133

Included in governance costs are the costs associated with the strategic management of the trust's activities and the constitutional and statutory requirements included audit and preparation of statutory accounts.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

9 Staff

a. Staff costs

	Total 2023 £000	Total 2022 £000
Staff costs during the period were:		
Wages and salaries	13,637	11,611
Social security costs	1,210	1,046
Operating costs of defined benefit pension schemes	3,053	2,626
	<u>17,900</u>	<u>15,283</u>
Agency staff costs	444	295
Staff restructuring costs (breakdown below)	6	48
Other staff costs (training and development)	235	138
	<u>18,585</u>	<u>15,764</u>
Staff restructuring costs comprise:		
Redundancy payments	<u>6</u>	<u>48</u>

b. Staff numbers

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

	2023	2022
Teachers	161	147
Administration and support	227	242
Management	22	24
	<u>410</u>	<u>413</u>

c. Higher paid staff

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

	2023	2022
£60,001-£70,000	7	8
£70,001 -£80,000	4	2
£80,001-£90,000	2	1
£90,001-£100,000	1	-
£100,001-£110,000	1	1
	<u>15</u>	<u>12</u>

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) received by key management personnel for their services to the academy trust was £2,108,163 (2022: £1,979,996).

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

10 Related Party Transactions - Governors' Remuneration and Expenses

One trustee has been paid remuneration or has received other benefits from employment with the academy trust. The head teacher and other staff trustees only receive remuneration in respect of the services they provide undertaking the roles of principal and staff members under their contracts of employment.

Andrew Waldron (CEO & Staff Trustee):

Remuneration	£60,000 - £65,000	(2022: £55,000 - £60,000)
Employers' pensions contributions	£10,000 - £15,000	(2022: £0 - £5,000)

During the period ended 31 August 2023, £NIL travel and subsistence expenses were reimbursed or paid directly to trustees in their capacities as trustees, (2022: £NIL).

11 Trustees' and Officers' Insurance

The academy trust has opted into the Department of 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 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.

12 Central Services

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

Legal services
Human Resources
Staff Cover Scheme
Buildings Management
Risk Management
ICT Infrastructure
Payroll Provision

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

12 Central Services (continued)

The trust charges for these services on the following basis:

Each academy contributes 3.73% (2022: 3.73%) of its GAG Allocation (with the exception of Aston in 2023).
The actual amounts charged during the year were as follows:

	Total 2023 £000	Total 2022 £000
Aston All Saints Primary	3	33
Emmanuel Junior	34	36
Flanderwell Primary	56	56
St Mary's Primary	36	34
Thrybergh Fullerton Primary	30	27
Trinity Croft Junior Infant	33	32
Wickersley St Albans Primary	34	32
Rossington St Michaels Junior Infant	52	51
Treeton C of E Primary	41	40
Canon Popham C of E Primary	34	33
Kilnhurst St Thomas Primary	36	35
Finningley St Oswalds Academy	33	32
Pyebank C of E Primary	74	74
Totley All Saints	35	34
Laughton All Saints	20	20
Swallownest Primary	8	-
Travis St Lawrence	23	-
	582	569

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

13 Tangible Fixed Assets

	Leasehold Land and Buildings	Furniture and Equipment	Computer Hardware	Total
	£000	£000	£000	£000
Cost				
At 1 September 2022	10,584	366	604	11,554
Transfer on conversion	5,385	-	11	5,396
Additions	49	220	64	333
Reclassification	-	-	-	-
At 31 August 2023	<u>16,018</u>	<u>586</u>	<u>679</u>	<u>17,283</u>
Depreciation				
At 1 September 2022	319	187	500	1,006
Charged in year	32	79	78	189
At 31 August 2023	<u>351</u>	<u>266</u>	<u>578</u>	<u>1,195</u>
Net book values				
At 31 August 2023	<u>15,667</u>	<u>320</u>	<u>101</u>	<u>16,088</u>
At 31 August 2022	<u>10,265</u>	<u>179</u>	<u>104</u>	<u>10,548</u>

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

14 Debtors	Total 2023 £000	Total 2022 £000
Trade Debtors	39	54
VAT Recoverable	64	60
Prepayments and accrued income	546	347
	<u>649</u>	<u>461</u>
15 Creditors: Amounts falling due within one year	Total 2023 £000	Total 2022 £000
Trade creditors	410	393
Taxation and social security	457	556
Accruals and deferred income	520	324
	<u>1,387</u>	<u>1,273</u>
Deferred Income included above:	Total 2023 £000	Total 2022 £000
Deferred Income at 1 September 2022	247	309
Resources deferred in year	347	247
Amounts released from previous years	(247)	(309)
Deferred Income at 31 August 2023	<u>347</u>	<u>247</u>

At the balance sheet date, the academy trust was holding funds received in advance for the following:

- Universal infant free school meals funding for the academic year commencing September 2023.
- Early Years and SEN top up funding from the LA allocated to the end March 2024.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

16 Total Funds

	Balance at 1 September 2022	Incoming Resources	Resources Expended	Gains, Losses and Transfers	Balance at 31 August 2023
	£000	£000	£000	£000	£000
Restricted general funds					
General annual Grant (GAG)	2,362	16,564	(17,046)	47	1,927
Pupil Premium	-	1,373	(1,373)	-	-
Other DfE/ESFA Grants	-	1,868	(1,868)	-	-
Other Grants / Other Income	-	2,217	(2,217)	-	-
Pensions Reserve	(3,369)	(628)	(1,425)	2,753	(2,669)
	<u>(1,007)</u>	<u>21,394</u>	<u>(23,929)</u>	<u>2,800</u>	<u>(742)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	1,108	783	(363)	(17)	1,511
Capital expenditure from GAG	210	-	(99)	184	295
Assets Inherited from LA	9,836	5,396	(39)	-	15,139
	<u>11,154</u>	<u>6,179</u>	<u>(501)</u>	<u>167</u>	<u>16,999</u>
Total restricted funds	<u>10,147</u>	<u>27,523</u>	<u>(24,430)</u>	<u>2,967</u>	<u>16,207</u>
Unrestricted funds					
Unrestricted funds	1,140	481	(36)	(214)	1,371
Total unrestricted funds	<u>1,140</u>	<u>531</u>	<u>(36)</u>	<u>(214)</u>	<u>1,371</u>
Total funds	<u>11,287</u>	<u>28,054</u>	<u>(24,466)</u>	<u>2,753</u>	<u>17,628</u>

Restricted Funds

General Annual Grant (GAG): this is the academy's principal funding stream from the Education & Skills Funding Agency. The funding must be used for the running of the school and for the benefit of the pupils. The use of the grant is governed by the terms and conditions set out in the Funding Agreement. The trust received £16.654m (2022: £15.315m) of which £1.877m (2022: £2.247m) remains unspent including the brought forward.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DfE/ESFA Grants: the trust received additional revenue grant funding from the ESFA including the following:

PE Sports Grant of £278k (2022: £270k) to help promote sports and physical activity in schools.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

16 Fund (continued)

Teachers Pay Grant of £8k (2022: £14k) and Teachers Pensions Grant £23k (2022: £41k) to support the teachers' pay awards that came into effect on 1 September 2020.

Conversion grant of £50k (2022: £NIL) was received in the year for the conversion of Swallownest and Travis St Lawrence into the trust.

Pupil Premium of £1.373m (2022: £1.18m) to help raise attainment amongst pupils considered socially deprived. This funding is allocated on the basis of eligibility for free school meals.

Universal Infant Free School Meals Grant £452k (2022: £390k) to support schools in delivering the offer of free school meals to all pupils in year groups reception, year 1 and year 2.

Other Restricted Income: the trust received income from the Local Authority including: £1.193m (2022: £963k) of Early Years funding, £440k (2022: £375k) SEN funding.

Capital Income

During the year ended 31st August 2023 the Diocese of Sheffield Academies Trust was awarded £439k (2022: £392k) in School Condition Allowance to fund projects across 9 of the 17 schools within the trust. The individual projects are as follows:

- Aston roofing & drains
- Canon Popham roofing & drains
- Emanuel replacement of CWS tank
- Flanderwell roofing
- St Oswalds fire alarm system
- Thrybergh Fullerton groundwork.

Devolved formula capital of £115k (2022: £101k) was received in the year by the trust for the maintenance and improvement of the condition of school buildings and grounds of which £87k (2022: £52k) remains unspent.

Transfer Between Funds

Transfers were made between restricted, unrestricted, and restricted fixed asset funds in the year to account for capital expenditure from GAG and shortfalls in restricted fund projects.

Unrestricted Funds: the academy trust held £1.421m in unrestricted funding at 31 August 2023.

These funds may be used towards meeting any of the charitable objectives of the trust at the discretion of the trustees.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

16 Funds (continued)

Analysis of academies by fund balance

Fund balances as at 31 August 2023 were allocated as follows:

	Total 2023 £000	Total 2022 £000
Aston All Saints Primary	61	65
Emmanuel Junior	213	206
Flanderwell Primary	332	339
St Mary's Primary	101	282
Thrybergh Fullerton Primary	45	74
Trinity Croft Junior and Infant	58	32
Wickersley St Albans Primary	255	179
Rossington St Michaels Junior and Infant	336	309
Treeton C of E Primary	210	328
Canon Popham	279	267
Kilnhurst St Thomas	-	48
Finningley St Oswalds	152	158
Pyebank C of E Primary	270	323
Laughton All Saints	229	255
Totley All Saints	68	148
Central Services	536	489
Swallownest Primary	59	-
Travis St Lawrence	94	-
Total before fixed asset and pension reserve	3,298	3,502
 Restricted fixed asset fund	 16,999	 11,154
Pension reserve	(2,669)	(3,369)
 Total	 17,628	 11,287

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

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

	Balance at 1 September 2021	Incoming Resources	Resources Expended	Gains, Losses and Transfers	Balance at 31 August 2022
	£000	£000	£000	£000	£000
Restricted general funds					
General annual Grant (GAG)	1,863	15,315	(14,669)	(147)	2,362
Pupil Premium	-	1,180	(1,180)	-	-
Other DfE/ESFA Grants	115	1,180	(1,295)	-	-
Other Grants / Other Income		1,949	(1,949)	-	-
Pensions Reserve	(13,778)	-	(1,351)	11,760	(3,369)
	<u>(11,800)</u>	<u>19,624</u>	<u>(20,444)</u>	<u>11,613</u>	<u>(1,007)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	788	494	(174)	-	1,108
Capital expenditure from GAG	142	-	(79)	147	210
Assets Inherited from LA	9,866	-	(30)	-	9,836
	<u>10,796</u>	<u>494</u>	<u>(283)</u>	<u>147</u>	<u>11,154</u>
Total restricted funds	<u>(1,004)</u>	<u>20,118</u>	<u>(20,727)</u>	<u>11,760</u>	<u>10,147</u>
Unrestricted funds					
Unrestricted funds	935	238	(33)	-	1,140
Total unrestricted funds	<u>935</u>	<u>238</u>	<u>(33)</u>	<u>0</u>	<u>1,140</u>
Total funds	<u>(69)</u>	<u>20,356</u>	<u>(20,760)</u>	<u>11,760</u>	<u>11,287</u>

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

17 Analysis of Net Assets between

	Unrestricted Funds	Other Restricted Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	16,088	16,088
Current assets	1,371	3,314	911	5,596
Current liabilities	-	(1,387)	-	(1,387)
Long term liabilities				
Pension scheme liability	-	(2,669)	-	(2,669)
Total net assets	1,371	(742)	16,999	17,628

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

	Unrestricted Funds	Other Restricted Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	10,548	10,548
Current assets	1,140	3,635	606	5,381
Current liabilities	-	(1,273)	-	(1,273)
Long term liabilities				
Pension scheme liability	-	(3,369)	-	(3,369)
Total net assets	1,140	(1,007)	11,154	11,287

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

18 New converted members

During the year, Swallownest Primary and Travis St Lawrence Primary converted from Local Authority to the Diocese of Sheffield. Details set out below:

Swallownest Primary

In May 2023, Swallownest Primary converted to academy status under the Academies Act 2010 and the operations and assets and liabilities were transferred to The Diocese of Sheffield Academies Trust from Rotherham Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	£000	£000	£000	£000
Tangible Fixed Assets				
Leasehold land and buildings	-	-	3,590	3,590
Other tangible fixed assets	-	-	11	11
Current Assets				
Cash – representing budget surplus on LA funds	83	-	13	96
Non-current liabilities				
LGPS pension surplus / (deficit)	-	(287)	-	(287)
Net Assets transferred on conversion	83	(287)	3,614	3,410

Included in the transfer of the leasehold land and buildings is the school building and playing fields which are occupied under a long term (125 year) lease agreement from Rotherham Borough Council.

Travis St Lawrence Primary

In April 2023, Travis St Lawrence Primary converted to academy status under the Academies Act 2010 and the operations and assets and liabilities were transferred to The Diocese of Sheffield Academies Trust from Doncaster Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

18 New converted members (continued)

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	£000	£000	£000	£000
Tangible Fixed Assets				
Leasehold land and buildings	-	-	1,795	1,795
Other tangible fixed assets	-	-	-	-
Current Assets				
Cash – representing budget surplus on LA funds	64	-	-	64
Non-current liabilities				
LGPS pension surplus / (deficit)	-	(341)	-	(341)
Net Assets transferred on conversion	64	(341)	1,795	1,518

Included in the transfer of the leasehold land and buildings are the school playing fields which are occupied a long term (125 year) lease agreement from Doncaster Borough Council. The buildings are not included in the lease and subsequently have not been recognised. The school buildings are occupied under a Church Supplementary Agreement which for the purpose of accounting, constitutes a short term agreement.

Total of Net Assets transferred on Conversion

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	£000	£000	£000	£000
Tangible Fixed Assets			5,396	5,396
Current Assets	147	-	13	160
Non-current liabilities	-	(628)	-	(628)
Net Assets transferred on conversion	147	(628)	5,409	4,928

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

19 Capital Commitments

	2023	2022
	£000	£000
Committed to from grant funding, but not provided in the financial statements	<u>669</u>	<u>511</u>

20 Financial Commitments

Operating Leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£000	£000
Amounts due within one year	41	16
Amounts due between one and five years	<u>44</u>	<u>16</u>
	<u>85</u>	<u>32</u>

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

21 Reconciliation of Net Income/Expenditure to Net Cash Flow from Operating Activities

	2023	2022
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	3,588	(404)
Adjusted for:		
Depreciation	189	145
Capital grants from DfE and other Capital Income	(783)	(494)
Interest receivable	(46)	(2)
Net assets transferred on conversion to an academy trust	(5,606)	-
Defined benefit pension scheme obligation inherited	628	-
Defined benefit pension scheme cost less contributions payable	1,274	1,108
Defined benefit pension scheme finance cost	151	243
(Increase)/decrease in debtors	(188)	(4)
Increase/(decrease) in creditors	114	(194)
Net cash provided by / (used in) operating activities	(629)	398

22 Cash Flows from Financing Activities

Repayments of borrowing	-	-
Net cash provided / (used in) financing activities	-	-

23 Cash Flows from Investing Activities

Dividends, interest and rents from investments	46	2
Purchase of tangible fixed assets	(333)	(176)
Capital grants from DfE / ESFA and other Capital Income	783	494
Net cash provided by / (used in) investing activities	496	320

Cash Transferred on Conversion to an academy trust

Cash transferred on conversion	160	-
Net cash inflow on conversion to an academy trust	160	-

Change in cash and cash equivalents in the reporting period

27	718
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24 Analysis of Cash and Cash Equivalents

	2023	2022
	£000	£000
Cash at Bank and in hand	4,947	4,920
	4,947	4,920

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

25 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.

26 Pension and Similar Obligations

The Academy'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 South Yorkshire Pension Authority. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2023 and of the LGPS 31 March 2023. Contributions amounting to £142,808 were payable to the schemes at 31 August 2023 (2022: £292,969) and are included within creditors.

Pension Reserve: on conversion each school within the trust inherited a share of the Local Government Pension Scheme (LGPS) liability. The liability for each school as at 31 August 2023 is valued as follows:

	2023	2022
	£000	£000
Aston All Saints Primary	98	197
Emmanuel Juniors	258	383
Flanderwell Primary	192	421
St Mary's Primary	154	322
Thrybergh Fullerton Primary	113	138
Trinity Croft Junior & Infants	140	180
Wickersley St Albans Primary	179	296
Rossington St Michaels	240	450
Kilnhurst St Thomas	284	199
Treeton Primary	258	338
Canon Popham Primary	410	471
Finningley St Oswalds Academy	(16)	119
Pyebank C of E Primary	(52)	(108)
Trust	(3)	27
Laughton All Saints	29	(25)
Totley All Saints	(182)	(39)
Swallownest Primary School	260	
Travis St Lawrence	307	
Total	2,669	3,369

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

26 Pension and Similar Obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,817,000 (2022: £1,571,000).

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

Under the definitions set out in Financial Reporting Standard (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 trust has set out above the information available on the scheme.

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

26 Pension and Similar Obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,556,000 (2022: £1,316,000), of which employer's contributions totalled £1,241,000 (2022: £1,055,000) and employees' contributions totalled £315,000 (2022: £261,000). The agreed contribution rates for future years are 25.85% for employers and 5.5% to 12.5% 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.

On conversion, the academy trust inherited a pension deficit from the South Yorkshire Pensions Authority of £567,000 in the year (2022: £nil). The trust has entered into an agreement with the trustees to make additional contributions per annum in addition to normal funding levels. It is anticipated that the additional contributions will be paid over 22 years.

Principal actuarial assumptions

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	4.05% - 4.20%	3.55% - 4.05%
Rate of increase for pensions in payment/inflation	2.40% - 2.80%	2.40% - 2.90%
Discount rate for scheme liabilities	5.20% - 5.25%	4.25%
Inflation assumption (CPI)	2.95% - 3.05%	3.05% - 3.35%

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

	At 31 August 2023	At 31 August 2022
	Years	Years
<i>Retiring today</i>		
Males	20.6	22.6
Females	23.6	25.4
<i>Retiring in 20 years</i>		
Males	21.4	24.1
Females	25.0	27.3

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

26 Pension and similar obligations (continued)

Sensitivity analysis

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

	At 31 August 2022 £000	At 31 August 2022 £000
Discount rate +0.1%	(436)	(336)
Discount rate -0.1%	436	336
Mortality assumption – 1 year increase	721	626
Mortality assumption – 1 year decrease	(721)	(626)
CP1 rate +0.1%	392	316
CP1 rate -0.1%	(392)	(316)

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2023 £000	Fair value at 31 August 2022 £000
Equities	9,940	8,579
Government Bonds	3,025	2,451
Other Bonds	-	-
Property	1,297	1,103
Cash/Liquidity	144	126
Other	-	-
Total market value of assets	14,406	12,256

The actual return on scheme assets was -£923,000 (2022: -£400,000).

Amounts recognised in the statement of financial activities

	2023 £000	2022 £000
Current service cost (net of employer contributions)	1,274	1,108
Net interest cost	151	243
Total operating charge	1,425	1,351

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

26 Pension and similar obligations (continued)

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

	2023 £000	2022 £000
At 1 September 2022	15,625	25,103
Upon conversion	1,767	-
Current service cost	1,274	2,134
Interest cost	720	444
Employee contributions	315	261
Actuarial (gain)/loss	(2,435)	(12,160)
Benefits paid	(191)	(157)
At 31 August 2023	17,075	15,625

Changes in the fair value of academy trust's share of scheme assets

	2023 £000	2022 £000
At 1 September 2022	12,256	11,328
Upon conversion	1,139	-
Expected return on assets	569	201
Actuarial gain/(loss)	(923)	(400)
Employer contributions	1,241	1,026
Employee contributions	315	261
Benefits paid	(191)	(157)
Administration expenses	-	-
At 31 August 2023	14,406	12,256
Net Pension Scheme Liabilities	2,669	3,369

The actuarial gain on the defined benefit scheme was £1,899,000 (2022: gain £11,760,000).

Diocese of Sheffield Academies Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

27 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 Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure Related Party Transaction

Gurner Electrical Solutions – a company managed by the husband of Amy Gurner (Head of School at Wickersley St Albans). The academy trust purchased goods and services relating to various electrical repairs from Gurner Electrical Solutions totalling £6,645 in the year (2022: £2,450). There were £nil amounts outstanding at 31 August 2023 (2022: £nil). The transactions have been conducted under normal market conditions and have followed the academy trust's procurement policies.

C D Gurner Electrical Ltd - a company managed by the father-in-law of Amy Gurner (Head of School at Wickersley St Albans). The academy trust purchased goods and services relating to various electrical repairs from C D Gurner Electrical Ltd totalling £435 in the year (2022: £1,042.50). There were £nil amounts outstanding at 31 August 2023 (2022: £nil). The transactions have been conducted under normal market conditions and have followed the academy trust's procurement policies.

Learners First Schools Partnership Ltd – a company which Mark Wheeler (Trustee) is a director with less than 20% voting power. The academy trust purchased services relating to teacher training from Learners First Schools Partnership Ltd totalling £nil (2022: £1,665). There were £nil amounts outstanding at 31 August 2023 (2022: £nil). The transactions have been conducted under normal market conditions and have followed the academy trust's procurement policies.

Sheffield Diocese Board of Finance - academy sponsor of DSAT

A registered charity in which Bishop Sophie Jelley (member) and William Huw Thomas (member) had key management roles in during the year.

Thirteen of the fifteen academies in the trust occupied school buildings under church supplementary agreements owned by the Sheffield Diocesan Board of Finance (SDBF). As per note 1 Accounting Policies, church school premises that are not on the balance sheet the Accounts Direction requires that an annual donation for rent should be recognised equal to what the academy trust would have to pay to secure premises, if such a figure can be reliably measured. Since there is no open market for such transactions this amount cannot be reliably measured and so no donation has been recognised. (2022: No donation recognised).