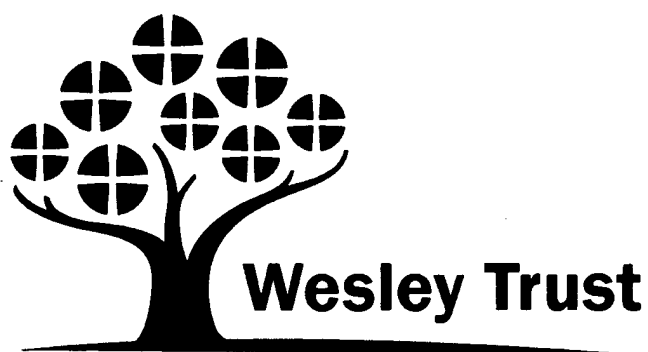


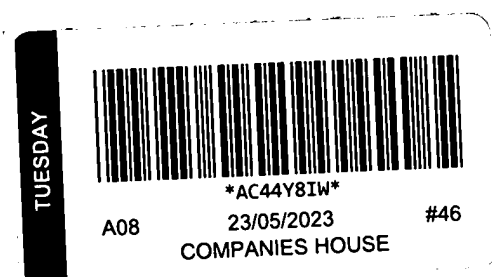
The Wesley Trust

**Company Registration Number:
10471944 (England and Wales)**



**The Wesley Trust
(A Company Limited by Guarantee)**

**Annual Report and Unaudited Financial Statements
For the year ended 31 August 2022**



The Wesley Trust

Reference and Administrative Details

Members

General Secretary of the Methodist Conference
President of the Methodist Conference
Vice-president of the Methodist Conference
Chair of the Methodist Schools Committee
Chair of the Wesley Trust

Trustees

David Kershaw
Tony Harris
Steve Myers
John Weaving

Senior Management Team

Chief Executive Officer

Julie-Ann Hewitt

Finance Director

Jason Field (resigned 4 March 2022)
Joanne Buckley (appointed 5 March 2022 - resigned
24 August 2022)
Adeel Sahi (appointed 25 August 2022)

Company Name

The Wesley Trust

Company Address

Westleigh Lane
Leigh
WN7 5NJ

Company number

10471944 (England and Wales)

Accountants

RSM UK Tax and Accounting Limited
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

The Wesley Trust

Trustees' Report

The Trustees present their report together with the financial statements of the charitable company for the year to 31 August 2022. The report serves the purposes of a trustees' report, strategic report and a directors' report under company law.

The Academy Trust operated 3 primary academies in the Northwest England before being transferred to Epworth Education Trust on 1 November 2020. The company has not traded since this date.

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 Wesley Trust are also the directors of the charitable company for the purposes of company law. The Charitable Company operates as The Wesley Trust. Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 2. Trustees receive no remuneration or benefits in respect of their duties as Trustees.

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.

Public Benefit

The Trustees have considered the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission.

Dormant company

The Company has not traded during the year. During this time the Company received no income and incurred no expenditure, and as a result the directors elected to file dormant company financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by order of the Trust Board at its meeting on 20/05/23 and signed on its behalf by:



David Kershaw
Trustee

The Wesley Trust

Statement of Financial Activities for the year ended 31 August 2022 (including Income & Expenditure Account)

		Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:	Note					
Charitable activities:						
Funding for the Academy Trust's educational operations	2	-	-	-	-	815
Teaching school						-
Other trading activities	3	-	-	-	-	3
Total		-	-	-	-	818
Expenditure on:						
Charitable activities:						
Academy Trust educational operations	4	-	-	-	-	859
Schools transferred out		-	-	-	-	9,842
Total		-	-	-	-	10,701
Net expenditure		-	-	-	-	(9,883)
Transfers between funds	9	-	-	-	-	-
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	13	-	-	-	-	(175)
Net movement in funds		-	-	-	-	(10,058)
Reconciliation of funds						
Total funds brought forward		-	-	-	-	10,058
Total funds carried forward		-	-	-	-	-

The Wesley Trust

Balance Sheet as at 31 August 2022 Company Number 10471944

		2022	2022	2021	2021
	Notes	£000	£000	£000	£000
Fixed assets					
Intangible assets			-		-
Tangible assets			-		-
Current assets					
Debtors		-		-	
Cash at bank and in hand		-		-	
		-		-	
Liabilities					
Creditors: Amounts falling due within one year		-		-	
Net current assets			-		-
Total assets less current liabilities			-		-
Net assets excluding pension liability			-		-
Defined benefit pension scheme liability			-		-
Total net assets			-		-
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	9	-		-	
Restricted income fund	9	-		-	
Pension reserve	9	-		-	
Total restricted funds			-		-
Unrestricted income funds	9		-		-
Total funds			-		-

For the financial year ended 31 August 2022 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The Wesley Trust

Balance Sheet as at 31 August 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 5 to 21 were approved and authorised for issue by the Board of Trustees on 20/05/23 and signed on their behalf by:



.....
David Kershaw
Trustee

The Wesley Trust

Statement of Cash Flows for the year ended 31 August 2022

	Notes	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	10	-	176
Cash flows from investing activities	11	-	(879)
Change in cash and cash equivalents in the reporting year		-	(703)
Cash and cash equivalents at 1 September 2021		-	703
Cash and cash equivalents at the 31 August 2022		-	-

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022

1 Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the Academy Trust, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Wesley Trust meets the definition of a public benefit entity under FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently applied to all the years presented, unless otherwise stated.

The financial statements are presented in sterling to the nearest £ which is also the functional currency of the Academy Trust.

Monetary amounts in the financial statements are rounded to the nearest £1'000 except where otherwise indicated.

The Company has not traded during the year. During this time the company received no income and incurred.

Going Concern

The Company has no assets nor liabilities and does not trade. The directors do not anticipate any trade within the next 12 months.

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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

1 Statement of Accounting Policies (continued)

Income (continued)

- **Grants (continued)**
Capital grants are recognised in full when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund. Capital grants are recognised in full when there is entitlement, and they are not deferred over the life of the asset on which they are expended.
- **Sponsorship Income**
Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions), where 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 year 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'.

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.

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

1 Statement of Accounting Policies (continued)

Expenditure (*continued*)

- **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.

Taxation

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

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

Pensions Benefits

Prior to the transfer of the Trust into Epworth Education Trust on 1 November 2020, retirement benefits to employees of the Academy Trust were provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

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

The LGPS is a funded scheme multi-employer, 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 year 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.

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

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 include grants from the Education and Skills Funding Agency.

2 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£000	£000	£000	£000
DfE/ESFA Revenue Grants				
General Annual Grant (GAG)	-	-	-	637
Other DfE/ESFA grants				
Pupil Premium	-	-	-	61
UIFSM	-	-	-	16
PE and Sports Grant	-	-	-	9
Teachers Pay Grant	-	-	-	8
Teachers' Pension Grant	-	-	-	21
Catch up Grant	-	-	-	19
Other grants	-	-	-	5
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	776
Other Government Grants				
Local authority grants	-	-	-	34
Other income from the Academy Trust's educational operations	-	-	-	5
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	815
	<hr/>	<hr/>	<hr/>	<hr/>

The income from the funding for Academy Trust's educational operations was £Nil (2021: £815k) of which £Nil was unrestricted (2021: £2k), £Nil restricted (2021: £813k) and £Nil restricted fixed assets (2021: £Nil).

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£000	£000	£000	£000
Uniform income	-	-	-	1
Other income	-	-	-	2
Total	-	-	-	3

The income from other trading activities £Nil (2021: £3k) all related to unrestricted income.

4 EXPENDITURE

	Staff Costs	Non-Pay Expenditure		Total	Total
		Premises	Other	2022	2021
	£000	£000	£000	£000	£000
Academy's educational operations:					
Direct costs	-	-	-	-	614
Allocated support costs	-	-	-	-	245
	-	-	-	-	859

Net expenditure for the year includes:

	2022 £000	2021 £000
Operating lease rentals	-	2
Depreciation	-	38
Fees payable to auditor for:		
- audit	-	-
- other services	-	14

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

5 CHARITABLE ACTIVITIES

	Total 2022	Total 2021
	£000	£000
Direct Costs – educational operations	-	614
Support costs – educational operations	-	245
	-	859
Support Costs		
Support staff costs	-	73
Technology costs	-	6
Premises costs	-	30
Other support costs	-	136
Total support costs	-	245

6 STAFF COSTS

Staff costs

Staff costs during the year were:

	2022	2021
	£000	£000
Wages and salaries	-	460
Social security costs	-	42
Operating costs of defined benefit pension schemes	-	105
	-	607
Supply staff costs	-	10
	-	617

Staff numbers

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

	2022	2021
	No.	No.
Teachers	-	40
Administration and support	-	95
Management	-	9
	-	144

No employees received employee benefits exceeding £60,000 (2021: None).

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

6 STAFF COSTS (*continued*)

Key management personnel

The key management personnel of the Academy Trust comprise of the Trustees and Senior Leadership Team as listed on page 2. The management team were engaged on a consultancy basis throughout the year with their costs amounting to £Nil (2021: £Nil).

7 RELATED PARTY TRANSACTIONS – TRUSTEES' REMUNERATION AND EXPENSES

No Trustee was remunerated for their work with the Trust. Incidental expenses have been claimed in line with the expenses policy approved by the Board of Trustees.

During the year ended 31 August 2022 no (2021 - none) trustees claimed expenses or had their expenses met by the Academy Trust.

8 TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Risk Protection Arrangement offered by the Government as an alternative to commercial insurance. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was £Nil (2021: £2,868). This is the total cost of the RPA scheme for the Trust.

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

9 FUNDS

	Balance at 1 September 2021	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2022
	£000	£000	£000	£000	£000
Restricted General Funds					
General Annual Grant (GAG)	-	-	-	-	-
Donations	-	-	-	-	-
Pupil Premium	-	-	-	-	-
Transfers between funds	-	-	-	-	-
Other grants	-	-	-	-	-
Pension reserve	-	-	-	-	-
Subtotal	-	-	-	-	-
Restricted Fixed Asset Fund					
Transfer on conversion	-	-	-	-	-
DfE/EFA capital grants	-	-	-	-	-
Capital expenditure from GAG	-	-	-	-	-
Total restricted funds	-	-	-	-	-
Total unrestricted funds	-	-	-	-	-
Total funds	-	-	-	-	-

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

Restricted General Fund

This fund has arisen from funds provided by the Government and Local Authority, and it is to be used for educational purposes as agreed in the objects of the organisation and with the Secretary of State. The Academy Trust is not subject to a limit on what it can carry forward at 31st August 2022.

Restricted Fixed Asset fund

This fund has arisen from capital funding from the Government and assets donated by the Local Authority. It is to be used for educational purposes as agreed by the Secretary of State and in accordance with the Trust's objects. Any transfer of funds into this fund from other funds are to ensure that assets held at each academy are fully funded according to the commitments that each academy has made to purchasing assets classified under this fund.

The Trust's funds were transferred to Epworth Educational Trust on 1st November 2020.

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

9 FUNDS (continued)

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

	Balance at 1 September 2020	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2021
	£000	£000	£000	£000	£000
Restricted General Funds					
General Annual Grant (GAG)	(249)	637	(586)	198	-
Donations	24	-	-	(24)	-
Pupil Premium	-	61	(61)	-	-
Transfers from unrestricted funds	257	-	-	(257)	-
Other Grants	30	115	(115)	(30)	-
Pension reserve	(2,345)	-	(53)	2,398	-
	<u>(2,283)</u>	<u>813</u>	<u>(815)</u>	<u>2,285</u>	<u>-</u>
Restricted Fixed Asset Fund					
Transfer on conversion	11,619	-	-	(11,619)	-
DfE/EFA capital grants	356	-	(38)	(318)	-
Capital expenditure from GAG	37	-	-	(37)	-
	<u>12,012</u>	<u>-</u>	<u>(38)</u>	<u>(11,974)</u>	<u>-</u>
Total restricted funds	<u>12,012</u>	<u>-</u>	<u>(38)</u>	<u>(11,974)</u>	<u>-</u>
Total unrestricted funds	<u>329</u>	<u>5</u>	<u>(6)</u>	<u>(328)</u>	<u>-</u>
Total funds	<u>10,058</u>	<u>818</u>	<u>(859)</u>	<u>(10,017)</u>	<u>-</u>

Analysis of academies by cost

Revenue expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs £000	2022 £000	2021 £000
Nutgrove Methodist Primary	-	-	-	-	-	167
Rosehill Methodist Academy	-	-	-	-	-	398
Wesley Methodist Primary	-	-	-	-	-	233
Central services	-	-	-	-	-	(31)
Academy Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>767</u>

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

10 RECONCILIATION OF NET CASH INFLOW FROM OPERATING ACTIVITIES

	2022 £000	2021 £000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	-	(41)
Adjusted for:		
Depreciation charges	-	38
Defined benefit pension scheme cost less contributions payable	-	46
Defined benefit pension scheme finance cost (note 13)	-	7
Decrease in debtors	-	531
Decrease in creditors	-	(405)
Net cash used in Operating Activities	-	176

11 RECONCILIATION OF NET CASH INFLOW FROM INVESTING ACTIVITIES

	2022 £000	2021 £000
Purchase of tangible fixed assets	-	(95)
Transfer to Epworth Education Trust	-	(784)
Net cash (used in) / provided by investing activities	-	(879)

12 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.

13 PENSION COMMITMENTS

Prior to transfer, the Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Greater Manchester Pension Fund for Rosehill Methodist Primary Academy and Wesley Methodist Primary School and by Merseyside Pension Fund for Nutgrove Methodist Primary School. Both are multi-employer defined benefit pension schemes.

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

Contributions amounting to £Nil (October 2021: £71,919) were payable to the schemes at 31 August 2021 and are included within creditors. These amounts have now been transferred to Epworth Education Trust on 1 November 2020. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

13 PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the members 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 charge)
- 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 £22,200 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 employers pension costs paid to TPS in the year amounted to £Nil (2021: £66,902).

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

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

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

13 PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £Nil (2021: £51k), of which employers contributions totalled £Nil (2021: £41k) and employees' contributions totalled £Nil (2021: £10k).

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.

Comparative figures are stated at 31 October 2021 and represent the balances that were transferred to Epworth Educational Trust on 1 November 2020.

Principal Actuarial Assumptions

	At 31 August 2022	At 31 October 2021
Rate of increase in salaries	-	3.00%
Rate of increase for pensions in payment / inflation	-	2.40%
Discount rate for scheme liabilities	-	1.70%
Inflation assumption (CPI)	-	2.3%

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

	At 31 August 2022	At 31 October 2021
<i>Retiring today</i>		
Males	-	20.5
Females	-	23.1
<i>Retiring in 20 years</i>		
Males	-	22.0
Females	-	25.0

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +1%		(1,478)
Discount rate -1%	-	1,478
Mortality assumption +1 year	-	535
Mortality assumption -1 year		(535)
Pension (CPI) increase rate +0.1%	-	1,220
Pension (CPI) increase rate -0.1%	-	(1,220)

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

13 PENSION COMMITMENTS (continued)

The academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2022 £000	Fair value at 31 October 2021 £000
Equity instruments – equities	-	1,742
Cash	-	228
Other	-	28
Debt instruments – other bonds	-	18
Government bonds	-	399
Property	-	185
Total market value of assets	-	2,600

The actual return on scheme assets was £Nil (2021: £147k).

Amounts recognised in Statement of Financial Activities:

	31 August 2022 £000	31 October 2021 £000
Current service cost	-	456
Net interest cost	-	36
Administrative expenses	-	1
Total assets recognised in the SOFA	-	493

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

	31 August 2022 £000	31 October 2021 £000
At 1 September	-	4,962
Current service cost	-	87
Interest cost	-	14
Employee contributions	-	10
Actuarial gains	-	100
At 31 August	-	5,173

The Wesley Trust

Notes to the Financial Statements for the year ended 31 August 2022 (Continued)

13 PENSION COMMITMENTS (continued)

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

	31 August 2022 £000	31 October 2021 £000
1 September	-	2,617
Interest income	-	7
Return on plan assets (excluding net interest on net defined pension liability)	-	(75)
Employer contributions	-	41
Employee contributions	-	10
At 31 August	-	2,600

Comparative figures are stated at 31 October 2021 and represent the balances that were transferred to Epworth Educational Trust on 1 November 2020.

14 RELATED PARTY TRANSACTIONS

No related party transactions have taken place in this year.

15 TRANSFER OF TRUST ASSETS AND LIABILITIES

The Wesley Trust transferred all assets and liabilities into Epworth Education Trust effective 1st November 2020.