

IMPACT EDUCATION MULTI ACADEMY TRUST

Impact Education Multi Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2022

Company Registration Number: 08529006 (England and Wales)

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Reference and administrative details

Members

Dr M Reddy
Mr D Morgan
Mr A Fisher (appointed 18.08.21)
Mrs N Winrow
Mrs R Hashmi Khan (resigned 30.05.22)

Trustees

Dr M Reddy (Chair)
Mrs J Kaye (Vice Chair)
Mr P Shire
Mr J Eccleston
Ms L Broadley
Mrs C McDermott
Mrs L Richards (appointed 08.11.22)
Miss J Jarjue (appointed 08.11.22)
Mr M Thorp (appointed 08.11.22)
Mrs C Hipkiss Spencer (resigned 15.11.21)
Mr A Hunt (resigned 07.02.22)
Mr D Clarke (resigned 17.06.22)
Mr S Rees (resigned 30.06.22)
Mr A Lord (resigned 26.09.22)

Company Secretary

Mr G Hellawell

Senior Management Team

CEO and Accounting Officer
CFO
Interim Operations Director
Executive Headteacher – Warley Road PA
Head of School – Warley Road Primary Academy
Headteacher – The Halifax Academy
Headteacher – Castle Hall Academy
Headteacher – The Whitley AP Academy
Headteacher – Old Bank Academy
Headteacher – Newsome Academy
Headteacher – Hill View Academy
Interim Headteacher – Hill View Academy

Mr M Kay
Mr G Hellawell
Mr P Horsfall
Mrs L Heathcote (from 01.09.21)
Mrs S Tindal (from 01.09.21)
Mr M Perry
Mr P Brook
Mr P Hannah
Mrs J Wood
Mr D Watkin
Miss K Eastwood (resigned 31.08.22)
Mr B Normington (from 25.04.22)

Company Name

Impact Education Multi Academy Trust

Principal and Registered Office

Unit 8 Longbow Close
Pennine Business Park
Bradley
Huddersfield
HD2 1GQ

Company Registration Number

08529006 (England and Wales)

Independent Auditor

BHP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Bankers

Lloyds Bank PLC
Po Box 1000
BX1 1LT

Solicitors

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne NE1 3DX

Surveyors

Sanderson Weatherall
29 Wellington Street
Leeds
LS1 4DL

Trustees' Report for the year ended 31 August 2022

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

Impact is a charitable Trust with seven member Academies in the West Yorkshire area. The Halifax Academy, Warley Road Primary Academy and The Whitley AP Academy, all based in Calderdale and Castle Hall Academy, Old Bank Academy, Hill View Academy, and Newsome Academy, all based in Kirklees. At the end of the accounting period, Impact Education Multi Academy Trust was providing education to approximately 3700 students.

There is an Academy Order in place for another primary school, based in Calderdale, to join the Trust early in 2023. This will take the number of Academies to eight and the total number of students to around 4,000.

During the accounting period the Trust relocated their head office to a different unit at Pennine Business Park, Bradley, Kirklees.

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 Impact Education Multi Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Impact Education Multi Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on pages 1 & 2.

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

During the accounting period, the Trustees have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity is £5,000,000.

Method of Recruitment and Appointment or Election of Trustees

The number of Trustees shall not be less than three but is not subject to any maximum.

The Members by ordinary resolution can appoint up to five of the Trustees.

The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the academy Trust would exceed one third of the total number of Trustees including the Chief Executive Officer to the extent, he or she is a Trustee.

Each Trustee serves a four-year term of office and can be re-appointed.

An annual analysis of Trustees' skills is conducted. This helps identify skills gaps. Where gaps cannot be closed via training and development, a recruitment process begins to identify a new Trustee to strengthen that area. Recruitment is led by the Chair of the Trust, the CEO and the Trust governance advisor. Partners such as Academy Ambassadors are used to find potential Trustees. Candidates apply and then are interviewed for the role. Recommendations are made to the Trust Board.

Policies and Procedures Adopted for the Induction and Training of Trustees.

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. As a minimum all new Trustees will be issued with the following documents:

- Most recent issue of the Governor’s Handbook (October 2020)
- Most recent issue of A Competency Framework for Governance (January 2017)

All new Trustees will have the opportunity to visit Academies and to meet staff and students. All Trustees are provided with copies of policies, minutes, accounts, budgets, plans and other documents that they will need to undertake their role effectively.

Organisational Structure

The Members of the company define the Object, Purpose and Ethos of the Company, and can direct the Trust Board where required to ensure those elements are met.

The Trustees (directors), who form the Trust Board, have overall responsibility and ultimate decision-making authority for all the work of the company, including establishing and running of schools and in particular each Academy as a school. This is largely exercised through strategic planning and the setting of policy, holding the Trust Leaders to account and the oversight of financial control. It is managed through business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes. In this work, the Board is aided by the Finance, Risk and Audit Committee, and the Education Standards Committee.

The Trustees delegate their responsibilities for the day-to-day oversight of each academy to a Local Governing Body (LGB) through a Scheme of Delegation (the Scheme). The Headteacher of each academy is an ex officio member of the LGB.

Delegated responsibilities, including financial expenditure limits, are determined by Trustees at the Annual General Meeting which takes place at the start of each year. The CEO is the Trust Accounting Officer.

The Senior Leadership Team (SLT) control each Academy at an executive level, implementing the policies laid down by Trustees, and reporting back to them, both via the LGB, the CEO, the Impact Leadership Team and directly where appropriate. SLT have line management responsibility for middle leaders who in turn are charged with managing the operations, activities, progress and performance of their department. SLT are responsible for the appointment of staff who directly or indirectly report to them through the management structure

During the accounting period the Trust consisted of the following Academies:

Academy	Phase	Route	Joined Trust
The Halifax Academy	All through	Convertor	1 Nov 2013
Castle Hall Academy	Secondary	Sponsor	1 Sep 2018
Warley Road Primary Academy	Primary	Convertor	1 Mar 2019
The Whitley AP Academy	Alternative Provision	Convertor	1 Aug 2019
Old Bank Academy	Primary	Sponsor	1 Apr 2020
Hill View Academy	Primary	Sponsor	1 Sep 2020
Newsome Academy	Secondary	Sponsor	1 Mar 2021

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Setting pay for all staff is determined by applying the Trust's Pay Policy. This policy is reviewed annually and approved by the Trust Board, and a pay committee is elected from Trustees to oversee the application of the policy. The pay committee meets annually in Autumn Term to determine the pay of the CEO and Headteachers, a process which is informed by an independent expert appointed by Trustees and who has considerable experience.

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The CEO makes recommendations as to the determination of pay for Headteachers and other central Trust Leaders, which is reviewed and approved by the remuneration committee.

Headteachers make recommendations as to the determination of pay of all other staff, except themselves, to the pay committee of each LGB.

Trade Union Facility Time

Information, as it applies to the academy Trust, is included below to satisfy requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 for the period from 1 April 2021 to 31 March 2022 (the relevant period).

Relevant union officials:

Number of employees who were relevant union officials during the relevant period - 4

Full-time equivalent employee number - 4

Percentage of time spent on facility time:

Percentage of time	Number of employees
0%	0
1-50%	4
51-99%	0
100%	0

Percentage of pay bill spent on facility time:

Total cost of facility time	£2K
Total pay bill	£24,192K
Percentage of the total pay bill spent on facility time	0.008 %

Paid trade union activities:

Time spent on paid trade union activities as a percentage of total paid facility time 0 %

Related Parties and other Connected Charities and Organisations

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. No related party transactions took place in the accounting period. Similarly, no related party transactions took place in the previous accounting period (2020/21).

The Trust is a strategic partner with Calderdale and Kirklees Teaching School Hub. The Hub consists of a number of strategic partners that promote and deliver high quality professional development for teachers and leaders across the two local authorities. In particular, the Trust supports schools with the delivery of Early Career Framework and the newly reformed National Professional Qualifications.

Engagement with Employees (including disabled persons)

Employees are consulted regularly through various platforms to ensure they have a voice. The Trust maintains good relationships with unions, including those employees who act as in-house representatives for other members. The academy Trust has implemented a comprehensive handbook of policies in relation to all aspects of personnel matters including:

- Pay policy
- Appraisal policy
- Wellbeing policy
- Equal opportunities policy
- Health & Safety policy

In accordance with the academy Trust's equal opportunities policy, the academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available on request from the academy Trust's offices.

The Trust has a well-developed people strategy that places wellbeing at its heart. Following engagement with employees, the Trust extended its assistance programme to provide a more comprehensive wellbeing and support offer.

Each Academy and Head Office hold employee meetings each week in which there is active contribution and feedback. Trust Leaders are kept informed on specific matters directly by management. The academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

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, particularly:

- students 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.

The core business of the Trust is the advancement of education for all.

The Trust model for development prioritises quality, service, and value for money. In doing so, our children, staff and communities can benefit from what the Trust can offer. The Trust has built and maintains a reputation for transparency and fair dealing with suppliers, customers, and others in a business relationship with the Trust. This continued throughout the global pandemic and its disruption, and has been maintained now that pre-pandemic levels of activity have largely been restored.

Objectives and Activities

Objects and Aims

The principal objects and activities of the Trust is to advance education for the public benefit.

Objectives, Strategies and Activities

- a) To deliver outstanding outcomes for all students.
- b) To deliver excellence in teaching, learning, behaviour and curricula offer.
- c) To provide all students with life enhancing opportunities to develop personally and to make a contribution to their communities and beyond.
- d) To develop highly effective leaders and governors, who are relentless in delivering sustainable successes for our students.
- e) To develop purposeful connections with parents and the communities we serve.
- f) To be an employer of choice.
- g) To develop highly effective and customer focused business and financial operations that support growth, manage risk and deliver value for money.

The Trust also aims to:

- Comply with all appropriate statutory and curriculum requirements
- Provide value for money for the funds expended
- Conduct its business in accordance with the highest standards of regularity and propriety.

To deliver our mission, vision and achieve our aims, the Trust's strategic activities for the academic year have been focused on developing the school improvement model and building a strong strategic spine of centralised services and resources that are scalable.

Values driven - Impact Academies are inclusive communities where hearts and minds connect. Each Academy is built around a clear set of values which are focused on transforming the lives of our students and the communities we serve.

Collaborative Leadership - Impact Academies provide clarity of vision which will enable us to develop shared goals with leaders feeling empowered to share their skills and knowledge for the benefit of the wider Trust. Our Leaders will inspire, motivate and lead ethically with emotional intelligence.

High expectations - Impact Academies have high expectations of all students. Ambitious academic and personal development targets are set to ensure each student makes outstanding progress. Academies reinforce positive attitudes to learning. Reasoning, Resilience, Responsibility, Reflection and Respect are key learning characteristics cultivated in our Academies.

Learning and research focused - Impact Academies transform learning through high quality teaching, coaching and using what works best from research. Academies are on a journey of continuous improvement, whilst ensuring student and staff wellbeing is at the heart of our work.

Effective Relationships - Impact Academies place the development of effective relationships at the heart of their work. How we connect with each other, the community, culture, our learning and the wider world is the foundation of everything we do. Our relationships are built on mutual respect, professional trust and challenge.

Developmental opportunities - Impact Academies invest in the personal development of students and professional development of staff. Impact Academies provide all students with opportunities to make a contribution to their communities and beyond.

Public Benefit

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

The key public benefit delivered by Impact Education Multi Academy Trust is the establishment and development of high-quality education provided by all its Academies. The Trust offers a broad and balanced academic education, and places high value on enhancing the curriculum with personal development opportunities that create memorable experiences. The Trust also aims to prepare young people for their next life stage by means of a comprehensive programme of extra-curricular activities, educational visits, community and business links.

Strategic report

a. Achievements and Performance

Ofsted Inspection Outcomes

Academy	Route	Joined Trust	Current Ofsted Status
The Halifax Academy	Convertor	Founding	Good Sept 17
Castle Hall Academy	Sponsor	Sep-18	Awaiting first inspection as an Impact Academy (Predecessor Inadequate Special Measures Nov 16)
Warley Road Primary Academy	Convertor	Mar-19	Awaiting first inspection as an Impact Academy (Good Nov 17)
The Whitley AP Academy	Convertor	Aug-19	Awaiting first inspection as an Impact Academy (Good June 17)
Old Bank Academy	Sponsor	April -20	Awaiting first inspection as an Impact Academy (Predecessor Inadequate Special Measures April 2019)
Hill View Academy	Sponsor	Sept - 20	Awaiting first inspection as an Impact Academy (Predecessor Inadequate Special Measures Dec 2018)
Newsome Academy	Sponsor	Mar - 21	Awaiting first inspection as an Impact Academy (Predecessor Inadequate Serious Weakness Nov 2018)

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The Board is confident that all Academies are on track to be rated at least Good at their next inspection.

In summer term 2022, the Department for Education (DfE) stated that students included in the 2021/22 school performance measures have had an uneven disruption to their learning as a result of the pandemic. Therefore, they recommend not making direct comparisons between schools, or with data from previous years. There is a need to contextualise individual Academy test and exam results. There are other factors that will also make direct comparisons difficult:

- Several changes were made to exams and grading. These include advanced notice of exam topics and GCSE grading being based around a midpoint between 2021 and pre-pandemic outcomes.
- Changes were also made to the way school and college performance measures were calculated. Results achieved between January 2020 and August 2021 by students included in this year's measures are not included in the calculations.

The DfE went on to conclude by saying individual school data should be used with caution. It is important to understand the factors which may have influenced these results. When forming a view of how well the school is doing, consideration should be given to a range of different information sources, for example, other quality assurance information, discussing with the school directly, the school website, Ofsted reports, friends, and family.

That said, Trustees are pleased to report that there was strong performance across each Academy in national tests and exams. Warley Road, Old Bank and Hill View attained the highest KS2 test results in the history of each Academy. Where results were below national there is clear evidence of closing gaps in learning and the impact of improved provision and CPD to support effective teaching and leadership. Progress at Warley Road places the Academy in the top 10% of all schools nationally. The Trustees are also pleased to report the significant increase in enriching curricula experiences that provide memorable personal development opportunities for our young people. The Trust serves communities with significant disadvantages including increasing levels of poverty and the Trust places high value on developing cultural capital. The number of residential learning experiences has increased exponentially. This included young people coming together from different Academies, forming new friendships and learning about different cultures.

Newsome Academy attained the best results in the school's history and Castle Hall Academy has seen a significant improvement in attainment across the school from entry into the Trust. Both Academies' Progress 8 (P8) scores improved, with Newsome broadly in line with National Average. The reputation of both Academies has strengthened significantly with Castle Hall securing 170 students to enter Year 7 in September 2022, up 40 from the three previous Year 7 entries. Newsome Academy also secured 149 students to enter Year 7, up from 110, and the Academy also had a significant number of entries into other year groups. Newsome's number on roll in 2017 was 450 and at the time of writing this report it is 716. This is a fantastic achievement and a clear indicator of the great improvements in the Academy. During the accounting period, Newsome was able to successfully navigate through a £4m capital refurbishment programme financed by DfE and the Local Authority, and delivered under Impact project management.

The Halifax Academy attained very strong GCSE results once again. P8 calculation methodology changed in summer 2022 and at The Halifax Academy this outcome was reduced as a number of 'open bucket' GCSEs were completed by students at the end of Year 10 in 2021. Previously, these results would have counted in the overall P8 score. However, the DfE changed this methodology from 2022 onwards. For these reasons, the P8 should be completely disregarded. The Academy also led the introduction and delivery of new National Professional Qualifications for teachers across eight different themes. CPD was provided to 300 teachers and leaders from inside and outside of the Trust. The Academy was awarded the Voice 21 Lead Partner School award for its work on developing oracy; the ambition is for each young person to find their own voice to change the world. The Academy Community Connections project work included supporting local community kitchens with meals prepared from unused school produce, with an ambition to reduce food wastage. The Academy was oversubscribed at Year 7 entry for the 8th consecutive year and was also full (93%) in Reception.

The Whitley AP Academy had another successful year with exam results demonstrating a four-year upward trend. The Academy has managed the Calderdale LA increase in permanent exclusions, very well. As the main provider of 80 places to the Council, the Academy has demonstrated its resilience and flexibility to work in genuine partnership. The Academy was also able to secure a significant top-up funding increase from the LA that has enabled recruitment to a number of new posts. These posts will help secure more effective transition of young people into and out of the AP.

At the start of the accounting period the total number of students on roll across the Trust was 83% of the total capacity available. Trustees are very pleased to report that this had increased to 88% of the total capacity available by the start of the next accounting period. This represents an additional 142 students joining Impact Academies, taking the total on roll to 3,770.

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Trustees are pleased report that despite the volatile economic climate, the Trust was able to secure and invest £5.5m of funding to develop the Trust Estate. £3.8m was secured from DfE and Kirklees Council to remedy urgent capital work at Newsome Academy linked to the sponsorship.

Other significant investment from the Trust includes:

- the purchase of the Ministry of Defence (MoD) Building at Wellesley Park, home of The Halifax Academy. This will be the home of the Impact Institute of CPDL.
- remodel & refurbishment of Science Labs and Food Technology rooms at Castle Hall Academy
- Installation of unisex toilet facilities for students at Newsome Academy
- redevelopment of KS1 and KS2 playgrounds at Hill View Academy
- internal remodel of the EYFS classrooms at Hill View Academy.

Finally, Trustees are happy to report that key stakeholders met in the summer term to review the Trust Mission, Vision and Strategic Priorities. Members, Trustees, LGB Chairs and Impact Leadership Team members were in attendance to review progress to date and to consider what the next big strategic moves will be in the next three to five years.

The Mission and Vision statements were refined and are now:

Mission - To improve the life chances of our young people.

Vision - a Trust where hearts and minds connect; values-driven people who work collaboratively to ensure education impacts positively on students, families and communities we are proud to serve.

New strategic priorities that emerged from the group include:

- Being the 'first choice' for education and the 'employer of choice' across our communities, and the 'Trust of choice' for outstanding inclusion.
- Increasing the Trust's profile locally and within the Trust's schools, through communication of staff experiences and career trajectories and improving 'staff voice'.
- Ensuring children have a rich, positive learning experience that 'breaks the cycle' – supporting more children through the expertise provided by our excellent alternative provision Academy by growing our offer and widening access.
- Equipping and empowering our children and young people to make healthy lifestyle choices by supporting informed decision-making
- Enabling social mobility by raising educational aspirations, improved parental engagement, and working with local business and community partners which share our values and commitments to children and young people
- Meeting the needs and aspirations of parents and carers – improving communication and engagement and having a positive impact across our communities
- A Trust we all belong to, but where schools retain individuality – ensuring the culture and behaviour of pupils and staff across all our schools demonstrate our values and core principles.

b. Key Performance Indicators

Educational Key Performance Indicators expected of all Trust Academies include:

- Academies will be judged to be on track to be or at least Good by the next Ofsted inspection.
- Pupil progress to be in the top 20% nationally.
- Disadvantaged students will make at least the same progress as other students nationally.
- Attendance to be better than national averages.
- Suspensions and Permanent Exclusions to be below national averages.

Financial Key Performance Indicators set and monitored by Trustees include:

- % of salaries expenditure to remain below 85% of total GAG income and below 80% of gross income.
- Quick Ratio of current assets less stock, over current liabilities, to be above 1.0.
- Reserves subject to regular review and to be at least 1% of GAG

- In-year balance to remain at or above budget forecast.
- Cumulative budgeted balance at each academy to be in surplus over years 1 and 2, with plans to address any deficits in years 3 or 4.
- Cash levels to be sufficient to meet financial obligations.

c. Going Concern

After making appropriate enquiries, 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, they 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.

d. Promoting the Success of the Academy Trust

The likely consequence of any decision in the long term

The Trust makes all key decisions through reference to its long-term strategic plan and after projecting the timing and impact of such decisions. This strategy is primarily designed around the objective to improve educational outcomes for students but every decision and operational approach is regularly reviewed for its impact on all stakeholders and the need for any changes or modifications to decisions previously taken.

The interests of the company's employees

Our employees are vital to the Trust and we regard ongoing, regular engagement with them as a top priority. The Trust invests in an employee benefits platform that helps engage, reward and protect our employees. The aim is to empower, support and connect with our employees via a diverse range of solutions designed to make them feel valued and recognised. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. All staff are offered access to a number of well-being support services and the Trust seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies as well as through local governing bodies, we also actively seek to ensure that the working environment meets due high standards of safety and security.

The need to foster the company's business relationships with suppliers, customers, and others

Our relationships with partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in service reviews with all key suppliers. These reviews are focussed on a two-way relationship with the Trust based with an aim of helping one another to achieve an optimum service as efficiently as possible and according to the best value for money. Where the Trust has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the Trust community and stakeholders.

The impact of the company's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school curriculum, the Trust encourages all staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling of waste, actions to maximise efficiency in energy consumption, and activities to reduce food waste.

The desirability of the company maintaining a reputation for high standards of business conduct

Our reputation and public trust in its constituent schools is fundamental to our future success. We use our organisational values and behaviours in our recruitment and training for our employees to ensure that we maintain high standards, and these are used in our appraisal processes. Our procurement and ethical policies and procedures ensure that our values are also part of our selection of partners and suppliers.

The need to act fairly as between members of the company

In terms of members of the academy Trust, fairness in our dealings is upheld through having a clear and well communicated strategy, and financial discipline backed by strong internal controls. We have transparent reporting at regular intervals through the year, continual access to senior leaders and a track record of successful growth through new school joiners which have been appropriately integrated into the Trust. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our students, staff or any other member of our community and stakeholders.

Financial Review

a. Financial performance and in-year balance

The principal financial objective of the Trust in 2021/22 was to achieve its budget performance target set at the start of the year, or that subsequently agreed as a revised target, and stay within the overall framework of its four-year budget plan. In addition to the provision of education, this included the continuing strategic move towards centralised services, and a review of the Trust's operating model commensurate with plans for strategic growth.

The year included significant capital investment in buildings, plant, and ICT. £5,527K was spent on capital projects, including £3,000K to complete the DfE funded refurbishment at Newsome Academy. Other capital works across the estate were funded by a combination of School Condition Allowance grant, in-year revenue transfers, and restricted and unrestricted reserves. As a result, and without any buildings acquired from conversion, the Net Book Value of the Trust's fixed asset register increased from £36,936K in 2020/21, to £40,458K in 2021/22.

Revenue I&E was within budget at each academy. The cost of growth and additional expense incurred at the Centre resulted in a Central overspend of £200K.

Non-capital reserves of the Trust brought forward from 2020/21 were £1,763K. Reserves carried forward to 2021/22 are £729K.

b. Reserves Policy

Impact Education Multi Academy Trust has established a reserves policy to protect its activities and strike a strategic balance between the effective delivery of education to current students, whilst guarding against future uncertainties and risk, and acquiring a purposeful aggregation of funds for capital investment, long-term cyclical estates improvement, and growth of the Trust. The reserves policy is reviewed at least annually by Trustees.

It is Impact's policy to consider all its reserves as central funds, and the use of those funds will be determined by Trustees against the operational and strategic needs of the Trust, regardless of the academy they were accumulated at. The reserves policy is underpinned by the firmly-held principle that as much current funding as possible must be spent on current students, to maximise current resources and provide the very best outcomes for young people currently in the Trust's care.

Reserves are necessary however, and will be held and managed effectively to protect the Trust and each of its Academies from its most significant risks, including but not limited to:

- i. Risk of per pupil funding income being flat or negative when compared to inflating costs over time, which will be assumed to be 3% per annum across all expenditure types until further notice.
- ii. Risk of an unexpected falling roll at any Academy.
- iii. Risk of deterioration or obsolescence of assets including buildings, plant, equipment and core infrastructure systems and services.
- iv. Risks associated with the growth of the Trust and the transfer of liabilities into the Trust from joining converter schools and existing Academies and other Trusts.
- v. Risk of inadequate capital planning and investment in long-term projects to support strategic objectives.
- vi. Risk of insolvency and insufficient cash flow.

The level of reserves carried will be informed by the risk levels to which the Trust is subject to, and will change over time. The Trust will not ordinarily permit its Academies to use reserves to support either deficit budgets, or financial planning that has not adequately assessed the financial context of the academy and budgeted correctly for things within its control. Short term use of reserves for such a purpose must be authorised by Trustees.

The Trust will not use reserves for any short-term purpose that would jeopardise the delivery of its medium and long-term capital programme, and in any eventuality total reserves equivalent to at least 1% of GAG income must be held. At the discretion of the Trustees, reserves may be moved (only) from unrestricted to restricted and restricted fixed asset funds, and from restricted to restricted fixed asset funds. The level of reserves is always reviewed in the context of the risk environment, the consolidated 4-year budget plan, and the priority, impact and Value For Money of capital projects funded in part or in whole by reserves.

With respect to the Local Government Pension Scheme (LGPS) Trustees have noted that there has been a significant reduction in the actuarial debt of the Trust's fund held within the West Yorkshire Pension Fund (WYPF). The estimated excess of future liabilities over the present value of assets is £1,443K (2020/21 £12,005K). This reduction is due primarily to actuarial gains made due to changes in financial assumptions within the defined benefit obligation, and a moderate increase in the fair value of assets held.

The fund was due its triennial valuation in March 2022 (report not yet issued). The risk to the Trust associated with this periodical valuation is that employee and employer contribution rates may go up, to reduce any fund debt.

Trustees are aware, in any case, that the Trust's Master Funding Agreement held with the Secretary of State provides that, should the balance sheet liability to the LGPS ever exceed the current and future service costs that are affordable by the Trust's share of the scheme and current contributions, then the Secretary of State for Education would make up any shortfall.

Investment Policy

The Trust has never undertaken any financial investment, other than to accrue interest at the pertaining rate of its funds held across its bank accounts. This policy is reviewed annually by Trustees, balancing risk and reward, and the operational requirements of liquidity and access to funds needed for capital purposes.

Principal Risks and Uncertainties

Trustees have identified and put in place control measures to terminate, treat, transfer or tolerate, the major risks it faces at Trust and Academy level. These risks, which have changed in likelihood and magnitude during a year of fast growth, include but are not limited to:

- Failure to meet educational objectives or to maintain pupil outcomes at 'Good' Academies
- Failure to improve outcomes for students at Academies that require timely improvement
- A deficit budget and inability to meet financial obligations
- Failure to comply with statutory legislation and to keep children safe
- Failure to insure and indemnify against insurable risks
- Failure to recruit the required and estimated number of students and maintain a direct link between funding and an expansion of provision.
- Failure to perform adequate due diligence and not identify and mitigate risks associated with the acceptance of new Academies and growth of the Trust.
- Failure to attract, develop and retain, the highest quality staff across all disciplines.
- Financial risks including strategic drift in funding versus expenditure indexation; unanticipated falling roll; deterioration of buildings and failure of plant; transfer of unaffordable liabilities with a joining school; inadequate capital planning; insolvency; removal of the principle as a going concern.

Trustees identify and review risks by means of a Risk Register that is reviewed termly.

Risk management is a key and continuous focus of the Trust Executive, the Board, Finance Risk and Audit Committee, Impact Leadership Team and Local Governing Bodies.

Fundraising

The academy Trust does not use any external fundraisers. Trustees are generally supportive of its Academies' staff and students raising funds for specific charitable causes. The Trust has a fundraising policy to govern charity activities by staff and students to ensure good practice is observed, and the Trust has oversight of any charity events held on its premises and/or by its staff and students. All fundraising undertaken during the accounting period was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

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

Energy consumption used to calculate emissions (kWh)	2021/22	2020/21
<i>Energy consumption breakdown (kWh):</i>		
<i>Scope 1</i>		
Gas	3,587,557	3,435,687
Transport Fuel	59,578	18,102
<i>Total Scope 1 emissions (in tonnes of CO2 equivalent):</i>	669	634
<i>Scope 2</i>		
Electricity	1,529,429	1,357,638
<i>Total Scope 2 emissions (in tonnes of CO2 equivalent):</i>	296	288
<i>Scope 3</i>		
Business travel in employee-owned or rental vehicles	22,918	8,720
<i>Total Scope 3 emissions (in tonnes of CO2 equivalent)</i>	5	2
<i>Intensity Ratio</i>		
Tonnes of CO2 equivalent per pupil	0.27	0.27

Quantification and Reporting Methodology

GHG Protocol Corporate Accounting and Reporting Standard and the 2019 UK Government Environmental Reporting Guidelines. UK Government GHG Conversion Factors for Company Reporting 2022.

Intensity Measurement

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Measures Taken to Improve Efficiency

1. Metering and monitoring: We continue to take every opportunity to harmonise each sites’ utilities contracts to maximise the benefit of collective size. We are currently looking at opportunities to monitor remotely our utility meters through software management such as STARK, for example.
2. Heating and lighting: The capital refurbishment works at Newsome Academy are now complete and have included 90% LED lighting replacements, upgraded heat distribution systems, the replacement of all old timber door sets. We’ve also had 6 of the 7 roof areas replaced with a new fully insulated system. The whole building (internally) now benefits from upgraded, insulated ceiling tile systems aiding in the prevention of heat loss. All mains electrical incoming and small power has been upgraded to remove old, energy consuming switchgear.
3. At Castle Hall we’ve continued with the flat roof replacement works, with 6 of the 9 areas now replaced with a new fully insulated system.
4. At The Halifax Academy, the JB Building now benefits from an upgraded TREND BMS System, allowing for a more controlled operation of all heating, DHW and ventilation systems.

Further Measures Considered

- Further investment into LED lighting across the Estate, with LED Lighting surveys now complete at all sites.
- Review the potential for investment in solar panels. Recent surveys are now complete and offer more detail into the longer term, potential benefits of these schemes.
- Complete the final 3 roof area upgrades at Castle Hall Academy
- Consider upgrading the current BMS controls at Newsome Academy and The Whitely Alternative Provision Academy.
- Consider the condition/lifecycle replacement project for the flat roof upgrades at Old Bank Academy.
- Systematically review and adjust down our heating temperature and time settings at each school/zone.
- Implement auto sleep across all devices on the ICT network to reduce idle and stand-by power use.
- Close completely all buildings for extended periods during school holidays.

Plans for Future Periods

Impact Education Multi Academy Trust's future plans will:

- Continue to focus on improving our existing Academies through a well-defined, coherent and agile school improvement strategy, ensuring all Academies are at least good at the next inspection and quality assurance demonstrates that they are clearly on track to be.
- Further develop our school improvement capacity through the development of the Impact Institute of Continued Professional Development and Learning.
- Ensure the Trust successfully navigates the pressures of unfunded pay increases, high inflation and astronomical energy prices.
- Develop new Cognition and Learning Resourced Provision at Old Bank Academy that offers 16 places to Kirklees Council as part of the Trusts commitment to inclusion.
- Submit an application for a new Alternative Provision Academy in partnership with Calderdale Council.
- Following centralisation in the last period, successfully implement the Trust Operating Model and develop a strong central team to ensure leadership
- Implement the new risk management strategy
- Review the Governance Strategy and Structure to ensure continued effective oversight across a growing Trust.
- Develop the Trust's environmental sustainability approach
- Successfully induct Lee Mount Primary School into the Trust and explore other growth opportunities.

Funds held as Custodian Trustee on Behalf of Others

The Trust and its Academies hold no funds on the behalf of others.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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, and signed on the Board's behalf by:

 (15, 2022 11:48 GMT)

Mr M Reddy
Chair of Trustees

Date: Dec 15, 2022

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Impact Education Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. An annual skills audit is undertaken to identify strengths and areas to develop. The audit fed into the recruitment process for new Trustees. The Board was significantly strengthened during the reporting period with support of Academy Ambassadors to appoint three new Trustees.

The Board of Trustees has formally met six times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr M Reddy, Chair of Trustees	6	6
Mr P Shire	6	6
Mr S Rees (resigned 30 June 2022)	3	6
Mr J Eccleston	6	6
Ms L Broadley	4	6
Mrs C Spencer (resigned 15 November 2021)	0	1
Mr A Hunt (resigned 7 February 2022)	3	3
Mr D Clarke (resigned 17 June 2022)	4	4
Mr A Lord (resigned 26 September 2022)	3	6
Mrs J Kaye	6	6
Mrs C McDermott	5	6

During the accounting period, the Board of Trustees met on six occasions and the FAR Committee met on four occasions. The Trustees feel that this combination of meetings is effective and efficient in meeting the governance requirements of Impact Education Multi Academy Trust, whilst recognising the limited and valuable time Trustees have available. Impact aspires to be an employer of choice. It equally aspires to be an organisation where key stakeholders choose to volunteer their free time, knowing that the Trust values their involvement and recognises their wellbeing and contributes to a healthy work-life balance.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance, Audit and Risk Committee (FARC) is a sub-committee of the main board of trustees. Its purpose is to:

- Plan and approve a balanced 4-year budget and monitor spending to ensure the economic, efficient and effective use of resources.
- Plan major and capital expenditure over the next four years.
- Act as an Audit Committee whose main purpose is to ensure that sound internal control and risk management processes are in place.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J Kaye - Chair	4	4
Mr P Shire	4	4
Mrs C McDermott	4	4
Mr J Eccleston	4	4
Mr A Hunt (resigned 7 February 2022)	1	3
Mr D Clarke (resigned 17 June 2022)	2	4

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

Continuing to include in its four-year plan an assumption that:

- (a) Per pupil-led funding will remain at its current rate, and Academies would be expected to increase pupil roll and other income, or reduce expenditure, to maintain a balanced budget.
- (b) The various Covid recovery type grants will be time-limited and be removed within two years.
- (c) Annual inflation will be 3% including annual salary costs and the cost of teachers' performance-related pay and support staffs' NJC time-dependent scale increases.

The necessity remained therefore for Trustees and senior leaders to rigorously apply the principles of Best Value - the Four Cs: Consult, Challenge, Compare, Compete - and always ensure that all income received and expenditure made represented excellent Value for Money - the Three Es: Effectiveness, Efficiency, Economy.

Value for money is normally best measured in the sector by school performance, and the continuous improvement by our schools in the progress made by all pupils throughout each year group and key stage, as evidenced by external examinations. However, due to the disruption caused by Covid-related closures in 2019/20 and 2020/21, even though examinations took place for the first time in three years during the summer of 2022, DfE warned against direct comparisons with pre-covid results. Nonetheless, all Impact Academies' KS2 SATS and KS4 GCSE results were very positive relative to the historical performance of the school, and/or unofficial national data, and on that basis the principal indicator of pupil outcomes strongly evidenced that value for money in the accounting period was achieved.

In addition, typical examples of applying Best Value and attaining value for money in the provision of education included but were not limited to:

- (i) Continuing a curriculum-informed approach to financial planning to ensure curriculums are planned that are affordable within the context of each academy.
- (ii) Ensuring at least three quotes were received for all non-specialist expenditure above £10,000 where the service and purchasing conditions allowed (eg. not utilities).
- (iii) Ensuring a closed tendering process was applied rigorously for the award of contracts above £100,000.
- (iv) Ending expensive third-party service contracts for catering provisions in three more of our Academies and thereby delivering in-house catering at all seven academies, permitting favourable bulk-buying arrangements and consistency in quality and choice at the lowest cost.
- (v) Using financial KPIs in each budget plan such as Pupil Teacher Ratio (PTR), Pupil Support Ratio (PSR), and non-staffing spend per pupil, and use of DfE/SRMA financial resource dashboards to benchmark Impact schools with each other, and with similar schools in England and Wales.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing guidelines
- identification and management of risks

The Board of Trustees has decided to employ RSM UK Risk Assurance Services LLP as internal auditor.

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

- Purchasing, suppliers and payments
- Income, cash and debtors
- Month-end processes
- Payroll

On an annual or termly basis as determined by the Finance, Audit and Risk Committee, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. In this accounting period, each academy and the central trust finance function, had an audit of its core financial procedures and systems in the last term of the school year. All findings were reported to the FARC including recommendation of management actions to correct exceptions and improve systems and the design of controls. The FARC hold the executive to account to implement these changes in a timely manner, and will look for independent assurance in the next audit cycle that all additional measures are in place and fully effective.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal auditor;
- the 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 work of the external auditors;

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

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


15, 2022 11:48 GMT

.....
Mr M Reddy
Chair of Trustees

Date: Dec 15, 2022


Mick Kay (Dec 15, 2022 15:10 GMT)

.....
Mr M Kay
Accounting Officer


IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Impact Education Multi Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 Academy Trust Handbook 2021.

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

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


[Mick Kay \(Dec 15, 2022 15:10 GMT\)](#)

Mr M Kay
Accounting Officer
Date: Dec 15, 2022

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make 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 operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the Members of the Board of Trustees and signed on its behalf by:

Mr M Reddy (Chair of Trustees) 
Date Dec 15, 2022

IMPACT EDUCATION MULTI ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IMPACT EDUCATION MULTI ACADEMY TRUST

Opinion

We have audited the financial statements of Impact Education Multi Academy Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IMPACT EDUCATION MULTI ACADEMY TRUST (CONTINUED)

Other information

The other information comprises the information included in the Trustees Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Trustees Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report including the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

IMPACT EDUCATION MULTI ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IMPACT EDUCATION MULTI ACADEMY TRUST (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Charities Act 2011 and the guidance issued by the ESFA;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence with the regulators; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IMPACT EDUCATION MULTI ACADEMY TRUST (CONTINUED)

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing correspondence with regulators and reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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

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

Use of our report

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



Lesley Kendrew (Senior statutory auditor)

for and on behalf of

BHP LLP

Statutory Auditors
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: Dec 16, 2022

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 6 April 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Impact Education Multi Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Impact Education Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Impact Education Multi Academy Trust's funding agreement with the Secretary of State for Education dated 31 July 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- checking that the Academy Trust's activities are consistent with its framework and its charitable objectives;
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions;
- checking that any related party transactions during the period are conducted at normal commercial rates;
- checking that Academy Trust expenditure is permitted by its funding agreement;
- checking that any borrowings entered into, including leases are in accordance with the Academies Handbook;
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook.

Conclusion

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



Lesley Kendrew
BHP LLP

Statutory Auditors
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: Dec 16, 2022

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Income from:						
Donations and capital grants:	3					
Transferred in on conversion		-	-	-	-	12,250
Other donations and capital grants		-	-	1,314	1,314	4,463
Other trading activities		525	-	-	525	227
Charitable activities		177	27,751	-	27,928	24,614
Total income		702	27,751	1,314	29,767	41,554
Expenditure on:						
Charitable activities		139	30,795	2,005	32,939	27,073
Total expenditure		139	30,795	2,005	32,939	27,073
Net income/(expenditure)		563	(3,044)	(691)	(3,172)	14,481
Transfers between funds	16	(1,373)	554	819	-	-
Net movement in funds before other recognised gains		(810)	(2,490)	128	(3,172)	14,481
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	24	-	12,828	-	12,828	254
Net movement in funds		(810)	10,338	128	9,656	14,735
Reconciliation of funds:						
Total funds brought forward		1,539	(11,781)	40,330	30,088	15,353
Net movement in funds		(810)	10,338	128	9,656	14,735
Total funds carried forward		729	(1,443)	40,458	39,744	30,088

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 33 to 64 form part of these financial statements.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08529006

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	13	40,458	36,936
		<u>40,458</u>	<u>36,936</u>
Current assets			
Debtors	14	2,234	4,109
Cash at bank and in hand		1,996	3,688
		<u>4,230</u>	<u>7,797</u>
Creditors: amounts falling due within one year	15	(3,501)	(2,640)
		<u>729</u>	<u>5,157</u>
Net current assets		729	5,157
Total assets less current liabilities		41,187	42,093
Defined benefit pension scheme liability	24	(1,443)	(12,005)
Total net assets		39,744	30,088
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	16	40,458	40,330
Restricted income funds	16	-	224
		<u>40,458</u>	<u>40,554</u>
Restricted funds excluding pension asset	16	40,458	40,554
Pension reserve	16	(1,443)	(12,005)
		<u>39,015</u>	<u>28,549</u>
Total restricted funds	16	39,015	28,549
Unrestricted income funds			
General funds	16	729	1,539
		<u>729</u>	<u>1,539</u>
Total unrestricted income funds	16	729	1,539
Total funds		39,744	30,088

IMPACT EDUCATION MULTI ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 08529006

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2022

The financial statements on pages 28 to 64 were approved and authorised for issue by the trustees and are signed on their behalf, by:

 15, 2022 11:48 GMT

Mr M Reddy (Chair of Trustees)

Date: Dec 15, 2022

The notes on pages 33 to 64 form part of these financial statements.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	2,521	(761)
Cash flows from investing activities	20	(4,213)	1,489
Cash flows from financing activities	19	-	551
Change in cash and cash equivalents in the year		(1,692)	1,279
Cash and cash equivalents at the beginning of the year		3,688	2,409
Cash and cash equivalents at the end of the year	21, 22	1,996	3,688

The notes on pages 33 to 64 form part of these financial statements

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

1. Accounting policies (continued)

1.3 Income (continued)

• **Transfer on conversion**

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

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- Up to 50 yrs as determined by a valuation and estimated useful economic life (UEL) at the point of acquisition or donation
Long-term leasehold property	- Up to 50 yrs as determined by a valuation and estimated useful economic life (UEL) at the point of acquisition or donation
Furniture and equipment	- Over 4 years
Computer equipment	- Over 4 years
Motor vehicles	- Over 10 years

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

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 Liabilities

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

1. Accounting policies (continued)

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

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

1.10 Pensions

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

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

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

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

1. Accounting policies (continued)

1.11 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Donations	-	-	-	-	130
Capital Grants	-	-	1,314	1,314	4,333
Transfer on Conversion from LA	-	-	-	-	12,250
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	1,314	1,314	16,713
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2021	551	(2,045)	18,207	16,713	
	<hr/>	<hr/>	<hr/>	<hr/>	

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

4. Funding for the academy trust's educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<i>Education</i>				
<i>DfE/ESFA grants</i>				
General Annual Grant	-	22,342	22,342	19,582
Other DfE/ESFA grants				
Other Dfe/EFA Grants	-	969	969	541
Local Authority Grants	-	2,481	2,481	1,797
Teachers Pay Grants	-	19	19	827
Pupil Premium	-	1,451	1,451	1,397
Free School Meals	-	129	129	114
Primary PE Grant	-	86	86	80
Others	177	274	451	276
	<u>177</u>	<u>27,751</u>	<u>27,928</u>	<u>24,614</u>
	<u>177</u>	<u>27,751</u>	<u>27,928</u>	<u>24,614</u>
	<u>177</u>	<u>27,751</u>	<u>27,928</u>	<u>24,614</u>
	<u><u>172</u></u>	<u><u>24,442</u></u>	<u><u>24,614</u></u>	
Total 2021				

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Educational visits income	93	93	8
Income from facilities and services	432	432	219
	<u>525</u>	<u>525</u>	<u>227</u>
Total 2021	<u>227</u>	<u>227</u>	

6. Expenditure

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000	Total 2021 £000
Education:					
Direct costs	18,685	-	3,939	22,624	18,880
Allocated support costs	5,514	2,397	2,404	10,315	8,193
	<u>24,199</u>	<u>2,397</u>	<u>6,343</u>	<u>32,939</u>	<u>27,073</u>
Total 2021	<u>21,170</u>	<u>-</u>	<u>5,903</u>	<u>27,073</u>	

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Education	22,624	10,315	32,939	27,073
Total 2021	18,880	8,193	27,073	

Analysis of support costs

	Education 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Staff costs	5,514	5,514	4,412
Depreciation	427	427	320
Technology Costs	411	411	212
Premises Costs	2,397	2,397	1,766
Governance Costs	46	46	8
Other Support Costs	1,520	1,520	1,475
	10,315	10,315	8,193
Total 2021	8,193	8,193	

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£000	£000
Operating lease rentals	131	123
Depreciation of tangible fixed assets	2,005	1,328
Fees paid to auditors for:		
- audit	22	20
- other services	4	2
	<u>2,162</u>	<u>1,473</u>

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£000	£000
Wages and salaries	16,632	14,516
Social security costs	1,701	1,394
Pension costs	5,290	4,704
	<hr/> 23,623	<hr/> 20,614
Agency staff costs	544	486
Staff restructuring costs	32	70
	<hr/> 24,199 <hr/>	<hr/> 21,170 <hr/>

Staff restructuring costs comprise:

	2022	2021
	£000	£000
Redundancy payments	-	70
Severance payments	32	-
	<hr/> 32 <hr/>	<hr/> 70 <hr/>

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £15,000 (2021: £nil) and statutory/contractual payments totalling £17,382 (2021: £nil).

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

9. Staff (continued)

c. Staff numbers

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

	2022	2021
	No.	No.
Teachers	212	205
Administration and support	357	303
Management	41	31
	<hr/> 610 <hr/>	<hr/> 539 <hr/>

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

9. Staff (continued)

d. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	17	11
In the band £70,001 - £80,000	3	5
In the band £80,001 - £90,000	3	-
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	1	1
In the band £140,001 - £150,000	1	1

e. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,228,311 (2021 - £1,064,318).

10. Central Trust Services and Support

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

- School Leadership and Improvement
- Financial Management
- Payroll
- Procurement
- HR
- Estates, Compliance and H&S
- Marketing & Communications
- ICT
- Governance Professional Service
- Legal, Data & Insurance
- Conversion project management
- Strategic academy improvement
- Bespoke leadership, coaching and development
- Safeguarding review and support
- Health and safety management support

The academy trust retains funds for these services on the following basis:

Schools rated Ofsted Good and Outstanding - 4.5% of GAG only

Schools rated as Inadequate or Requiring Improvement - 6.5% of GAG only

Schools considered to be improving via SEF and trust evaluation – 5.5% of GAG only.

IMPACT EDUCATION MULTI ACADEMY TRUST
(A company limited by guarantee)

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

10. Central Trust Services and Support (continued)

The actual amounts retained during the year were as follows:

	2022	2021
	£000	£000
The Halifax Academy	409	371
Castle Hall Academy	238	247
Warley Road Primary Academy	106	104
The Whitley AP Academy	36	36
Old Bank Academy	47	54
Hill View Academy	80	96
Newsome Academy	211	100
Total	1,127	1,008

11. Trustees' remuneration and expenses

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

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

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £5,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the trust's insurance policy. The cost of this insurance is included in the total insurance cost.

IMPACT EDUCATION MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Furniture, equipment and motor vehicles £000	Computer equipment £000	Total £000
<i>Cost or valuation</i>					
At 1 September 2021	6,014	34,730	551	1,084	42,379
Additions	28	4,968	274	257	5,527
At 31 August 2022	<u>6,042</u>	<u>39,698</u>	<u>825</u>	<u>1,341</u>	<u>47,906</u>
<i>Depreciation</i>					
At 1 September 2021	1,210	3,434	226	573	5,443
Charge for the year	413	1,165	160	267	2,005
At 31 August 2022	<u>1,623</u>	<u>4,599</u>	<u>386</u>	<u>840</u>	<u>7,448</u>
<i>Net book value</i>					
At 31 August 2022	<u>4,419</u>	<u>35,099</u>	<u>439</u>	<u>501</u>	<u>40,458</u>
At 31 August 2021	<u>4,804</u>	<u>31,296</u>	<u>325</u>	<u>511</u>	<u>36,936</u>

14. Debtors

	2022 £000	2021 £000
<i>Due within one year</i>		
Trade debtors	69	62
Other debtors	572	373
Prepayments and accrued income	1,593	3,674
	<u>2,234</u>	<u>4,109</u>

IMPACT EDUCATION MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

15. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	1,285	32
Other taxation and social security	1	-
Other creditors	380	471
Accruals and deferred income	1,835	2,137
	<hr/> 3,501 <hr/>	<hr/> 2,640 <hr/>
	2022	2021
	£000	£000
Deferred income at 1 September 2021	295	226
Resources deferred during the year	297	295
Amounts released from previous periods	(295)	(226)
	<hr/> 297 <hr/>	<hr/> 295 <hr/>

At the balance sheet date the academy trust was holding funds received in advance for early years funding of £82k (2021 - £77k), free school meals of £77k (2021 - £84k), teachers pay grants of £38k (2021 - £38k) and other income of £100k (2021 - £96k).

IMPACT EDUCATION MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<i>Unrestricted funds</i>						
General Funds - all funds	1,539	702	(139)	(1,373)	-	729
<i>Restricted general funds</i>						
GAG	224	22,342	(23,120)	554	-	-
Pupil Premium	-	1,451	(1,451)	-	-	-
Free School Meals	-	129	(129)	-	-	-
Other DfE Grants	-	1,074	(1,074)	-	-	-
Other Restricted Income	-	2,755	(2,755)	-	-	-
Pension reserve	(12,005)	-	(2,266)	-	12,828	(1,443)
	(11,781)	27,751	(30,795)	554	12,828	(1,443)
<i>Restricted fixed asset funds</i>						
Transfer on conversion	28,000	-	-	-	-	28,000
Transfers from other funds	2,707	-	-	819	-	3,526
Transfer from existing academies	5,111	-	-	-	-	5,111
DfE Group capital grants	4,512	927	(1,703)	-	-	3,736
Local authority capital grants	-	387	(302)	-	-	85
	40,330	1,314	(2,005)	819	-	40,458

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16. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Total Restricted funds	28,549	29,065	(32,800)	1,373	12,828	39,015
Total funds	30,088	29,767	(32,939)	-	12,828	39,744

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

Impact Education Multi Academy Trust receives pupil-led funding (principally GAG) and other revenue grants, under recognised local and national formulae, from DfE and Local Authority. Similarly it receives Devolved Formula Capital (DFC) and other capital grants, from DfE, for capital purchases. Both revenue and capital grant funds are limited to their use and in the period of account were used for education provision and the pursuit of the trust's Charitable objectives as laid out in its Funding Agreement with the Secretary of State.

In the year ending 31 August 2022 revenue and capital funding, and the planned use of reserves, were sufficient to meet the Trust's expenditure and capital investment budgets, including the transfer of £819K from unrestricted funds to the Restricted Fixed Asset Fund, to purchase fixed assets. There was a deficit balance of restricted revenue income over expenditure of £778K (2021 – 1,130K deficit) and a surplus balance of unrestricted revenue income over expenditure of £563K (2021 - £944K surplus).

The pension fund deficit is based on an actuarial valuation of the trusts' assets and liabilities held within the LGPS as at 31 August 2022, details of which are included in note 24. In the accounting period, the fund deficit has decreased from £12,005k to £1,443k. This occurred due to a significant increase in the discount rate used in the actuarial assumptions from 1.7% to 4.1%.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General funds	595	950	(6)	-	-	1,539
Restricted general funds						
GAG	882	19,582	(18,540)	(1,700)	-	224
Pupil Premium	-	1,397	(1,397)	-	-	-
Teachers Pay Grants	-	827	(827)	-	-	-
Free School Meals	-	114	(114)	-	-	-
PPG	-	80	(80)	-	-	-
Other DfE Grants	-	541	(541)	-	-	-
Local Authority Grants	-	1,797	(1,797)	-	-	-
Other Restricted Income	472	130	(602)	-	-	-
Pension reserve	(8,451)	(2,071)	(1,737)	-	254	(12,005)
	(7,097)	22,397	(25,635)	(1,700)	254	(11,781)
Restricted fixed asset funds						
Transfer on conversion	15,193	13,770	(963)	-	-	28,000
Transfers from other funds	1,042	-	(35)	1,700	-	2,707
Transfer from existing academies	5,287	-	(176)	-	-	5,111
DfE Group capital grants	333	4,333	(154)	-	-	4,512
Donated laptops	-	104	(104)	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
	21,855	18,207	(1,432)	1,700	-	40,330
Total Restricted funds	14,758	40,604	(27,067)	-	254	28,549
Total funds	15,353	41,554	(27,073)	-	254	30,088

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£000	£000
The Halifax Academy	61	353
Castle Hall Academy	71	219
Warley Road Primary Academy	430	262
The Whitley AP Academy	521	333
Central Trust Services and Support	(1,270)	(384)
Old Bank Academy	34	59
Hill View Academy	253	319
Newsome Academy	629	602
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	729	1,763
Restricted fixed asset fund	40,458	40,330
Pension reserve	(1,443)	(12,005)
	<hr/>	<hr/>
Total	39,744	30,088
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit
	£000
Central Trust Services and Support	1,270
	<hr/> <hr/>

During the year the Central Trust Services and Support used reserves to fund several projects, approved by Trustees, for both capital and revenue spending, including the acquisition of fixed assets against the capital allocation programme, and the growth of central services to ensure the Trust's central provision was fully centralised in those key service areas where the pandemic had arrested strategic growth, particularly in HR and ICT.

The academy trust is taking the following action to return the Central Service to surplus:

The Central Trust Service budget is balanced for 2022/23 (surplus £108K) and for the following three years. The Trust has expanded considerably its provision of Central Services for 2022/23, particularly the centralisation of HR and ICT. Trustees have agreed that retention for all its member Academies will be 8.25% of GAG and EYFS, and this is subject to annual review with the logic that as more Academies join the Trust, the greater the economies of scale will become, and the lower the retention will be.

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

16. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
The Halifax Academy	6,701	681	391	1,831	9,604	9,028
Castle Hall Academy	2,934	444	243	719	4,340	4,948
Warley Road Primary Academy	1,889	346	130	408	2,773	2,975
The Whitley AP Academy	992	90	59	241	1,382	1,339
Central Trust Services and Support	490	860	3	3,637	4,990	2,632
Old Bank Academy	597	134	55	165	951	1,049
Hill View Academy	930	133	108	389	1,560	1,395
Newsome Academy	3,575	483	214	1,062	5,334	2,379
Academy trust	18,108	3,171	1,203	8,452	30,934	25,745

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NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	40,458	40,458
Current assets	4,230	-	-	4,230
Creditors due within one year	(3,501)	-	-	(3,501)
Provisions for liabilities and charges	-	(1,443)	-	(1,443)
Total	729	(1,443)	40,458	39,744

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	36,936	36,936
Current assets	1,539	2,864	3,394	7,797
Creditors due within one year	-	(2,640)	-	(2,640)
Provisions for liabilities and charges	-	(12,005)	-	(12,005)
Total	1,539	(11,781)	40,330	30,088

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

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

	2022	2021
	£000	£000
Net (expenditure)/income for the year (as per Statement of financial activities)	(3,172)	14,481
Adjustments for:		
Depreciation	2,005	1,328
Capital grants from DfE and other capital income	(1,314)	(4,333)
Defined benefit pension scheme obligation inherited	-	2,071
Defined benefit pension scheme cost less contributions payable	2,069	1,578
Defined benefit pension scheme finance cost	197	159
Decrease/(increase) in debtors	1,875	(2,938)
Increase in creditors	861	1,214
Cash received on conversion to an academy	-	(551)
Fixed assets received on conversion to an academy	-	(13,770)
Net cash provided by/(used in) operating activities	2,521	(761)

19. Cash flows from financing activities

	2022	2021
	£000	£000
Cash and cash equivalents transferred on conversion	-	551
Net cash provided by financing activities	-	551

20. Cash flows from investing activities

	2022	2021
	£000	£000
Purchase of tangible fixed assets	(5,527)	(2,844)
Capital grants from DfE Group	1,314	4,333
Net cash (used in)/provided by investing activities	(4,213)	1,489

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21. Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand and at bank	1,996	3,688
<i>Total cash and cash equivalents</i>	1,996	3,688

22. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	3,688	(1,692)	1,996
	3,688	(1,692)	1,996

23. Capital commitments

	2022	2021
	£000	£000
<i>Contracted for but not provided in these financial statements</i>		
Acquisition of tangible fixed assets	-	3,220

24. Pension commitments

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £2,123,000 (2021 - £2,231,000).

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

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

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 £1,222,000 (2021 - £1,011,000), of which employer's contributions totalled £901,000 (2021 - £732,000) and employees' contributions totalled £ 321,000 (2021 - £279,000). The agreed contribution rates for future years are 16.4 per cent for employers and 12.5 per cent for employees.

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

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NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.85
Rate of increase for pensions in payment/inflation	2.7	2.6
Discount rate for scheme liabilities	4.1	1.7
Inflation assumption (CPI)	2.7	2.6

Allowance for high inflation between 30 September 2021 and 31 August 2022

A gain (or loss) is recognised in the Defined Benefit Obligation (DBO) when actual pension increases are lower (or higher) than those assumed. The policy to date has been to recognise the pension increase order laid during the relevant accounting period. The last pension increase order was 3.1% in April 2022, and this has been allowed for in these figures. However, due to current levels of high inflation the actuary has been instructed to also make an allowance in the DBO for the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation for the year ending 30 September 2022.

Therefore the actuary has allowed for a loss arising due to high inflation since 30 September 2021, in addition to the loss arising from the April 2022 pension increase order. They have allowed for actual CPI inflation for the period 30 September 2021 to 30 June 2022 of 8.4%, noting that the CPI inflation assumption at the accounting date is lagged 2 months so captures inflation for July and August 2022.

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

	2022	2021
	Years	Years
Retiring today		
Males	21.8	21.9
Females	24.6	24.7
Retiring in 20 years		
Males	22.5	22.6
Females	25.7	25.8

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NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	16,553	25,595
Discount rate -0.1%	17,437	26,961
Mortality assumption - 1 year increase	16,519	25,279
Mortality assumption - 1 year decrease	17,471	27,277
CPI rate +0.1%	17,063	26,383
CPI rate -0.1%	16,927	26,173

Share of scheme assets

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

	At 31 August	At 31 August
	2022	2021
	£000	£000
Equities	12,426	11,447
Gilts	995	1,142
Corporate bonds	669	628
Property	607	542
Cash and other liquid assets	622	314
Other	233	200
Total market value of assets	15,552	14,273

The actual return on scheme assets was £309,000 (2021 - £2,536,000).

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

	2022	2021
	£000	£000
Current service cost	2,920	2,310
Past service cost	50	-
Interest cost	197	159
Total amount recognised in the Statement of Financial Activities	3,167	2,469

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NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

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

	2022	2021
	£000	£000
At 1 September	26,278	17,407
Interest cost	448	338
Employee contributions	321	279
Actuarial (gains)/losses	(12,770)	2,103
Benefits paid	(252)	(229)
Past service costs	50	-
Current service cost	2,920	2,310
Net increase in liabilities from disposals/acquisitions	-	4,070
	16,995	26,278

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

	2022	2021
	£000	£000
At 1 September	14,273	8,956
Interest income	251	179
Actuarial gains	58	2,357
Employer contributions	901	732
Employee contributions	321	279
Benefits paid	(252)	(229)
Net increase in assets from disposals/acquisitions	-	1,999
	15,552	14,273

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NOTES TO THE FINANCIAL STATEMENTS
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25. Operating lease commitments

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

	2022	2021
	£000	£000
Amounts due within one year	135	131
Amounts due between one and five years	252	142
	<u>387</u>	<u>273</u>

26. Other contractual commitments

. PFI agreements

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	£000	£000
Amounts due within one year	837	793
Amounts due between one and five years	3,606	3,416
Amounts due after five years	3,358	4,192
	<u>7,801</u>	<u>8,401</u>

27. 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.

28. Related party transactions

No related party transactions took place in the period of account.