

Company Registration No. 08175642 (England and Wales)

**MAKERFIELD ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# MAKERFIELD ACADEMY TRUST

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# MAKERFIELD ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

P Keary  
Rev J Thomas  
Dr J Moor  
D Thorpe  
A Wiswell

### Trustees

A Birchall (Principal and Accounting Officer)  
D Howard  
L E Tipping  
C Arstall  
K Liston  
P Tushingham (Chair of Trustees)  
T Wogan  
G M Askew (Appointed 12 September 2023)

### Senior management team

- Principal	A R Birchall
- Deputy Headteacher	A Finch
- Deputy Headteacher	P Paul
- Assistant Headteacher	A Hudson
- Assistant Headteacher	T Wilkinson
- Assistant Headteacher	D Fletcher
- Assistant Headteacher	C Smith
- Chief Financial Officer	J Leigh

### Company secretary

A Finch

### Company registration number

08175642 (England and Wales)

### Registered office

Warrington Road  
Ashton-In-Makerfield  
Wigan  
WN4 9PQ

### Independent auditor

UHY Hacker Young Manchester LLP  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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

The trust operates an academy for students aged 11-16 serving a catchment area in the Makerfield area including Ashton-in-Makerfield, Abram, Bryn Gates, Downhall Green, Garswood, Golborne, Haydock, Hindley, Ince-in-Makerfield, Newton-le-Willows, North Ashton, Platt Bridge, Wargrave and Winstanley. It has a student capacity of 1,175 and had a roll of 1,048 in the school census in October 2023.

#### **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 charitable company is known as Makerfield Academy Trust, the trust operates one school which is known as Byrchall High School.

The trustees of Makerfield Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

##### 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

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. Further details are disclosed in note 10.

##### Method of recruitment and appointment or election of trustees

The members of the trust are responsible for the appointment of trustees except elected parent trustees and staff trustees who will be appointed through a formal election process directed by the board of trustees. The number of trustees shall not be less than three and shall not be subject to a maximum.

##### Policies and procedures adopted for the induction and training of trustees

Trustees are appointed based on the skills that they will bring to the board of trustees or based on a proposal to the board of trustees by representative groups. On appointment, trustees receive information relating to the trust, attend a briefing and receive an induction pack on the role and responsibilities of trustees.

During the year, trustees are offered all necessary training.

##### Organisational structure

The governance of the trust is defined in the memorandum and articles of association together with the Funding Agreement with the Department for Education.

All trustees are members of the board of trustees. In addition, trustees are members of committees which report to the board of trustees.

# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The board of trustees meets once each term to receive reports from its sub-committees and manage its strategic objectives. The board has one sub-committee for Finance and Audit, and a local governing body for Byrchall High School:

- the Finance and Audit Committee meets once in each of the school terms to consider the academy's budgets and financial performance, statutory financial requirements and premises issues; and
- the local governing body meets four times each year to discuss issues surrounding staffing and the approval and review of the school curriculum in addition to the attainment and achievements of students.
- A Standards and Effectiveness Committee, comprising of Trustees and Local Governors meets each term to monitor and evaluate the standards of education delivered.

The day to day management is delegated to the headteacher, who has appointed a senior leadership team, which meets weekly to advise the headteacher on his day to day responsibilities.

#### Arrangements for setting pay and remuneration of key management personnel

The headteacher's pay is set by a performance review panel that is advised by an independent consultant. Targets are set at the start of each academic year by this panel; performance against these targets is assessed by the panel prior to any pay review taking place.

The senior leadership team's pay is reviewed through appraisal, by the headteacher, against targets which are set at the start of the academic year.

Once the pay review has been completed, findings and recommendations are submitted to the Pay Committee for final ratification.

All pay progressions for the headteacher and senior leadership team are completed in accordance with the school's pay policy, which is reviewed annually.

#### Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication requirements) regulation 2017, and where the academy has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the regulations.

The academy had one staff member acting as trade union representatives in the 2021/22 year, however there was no facility time and they are not paid for any union duties.

The trustees have referred to Statutory Instrument 2017 No 328, The Trade Union (Facility Time Publication Requirement Regulations 2017) for calculation details.

#### Related parties and other connected charities and organisations

The members, directors, trustees, senior staff and their immediate families, along with any organisations in which they control are regarded as related parties in accordance with the definitions in the Charities SORP.

The trust has identified one related party with which transactions have taken place within the year.

Winstanley College is related as the Principal L Tipping is a trustee of Makerfield Academy Trust.

# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Objectives and activities**

##### Objects and aims

The trust's object is to advance for the public benefit education for children aged 11 to 16 by establishing, maintaining, carrying on, managing and developing a high school offering a broad and balanced curriculum.

The trustee's vision is to achieve high standards of performance in all areas using modern practices and promoting moral and ethical values.

Students are offered a supportive, positive and dynamic learning environment that enables them to focus on their studies and extra-curricular activities. As a result, students achieve academic and technological excellence and extend their sporting, artistic and musical accomplishments.

The academy trust fosters personal development that helps students to find meaning in their lives and respond with creativity and determination to the challenges that arise through the rapid pace of social change.

##### Objectives, strategies and activities

The academy's objective for the year ended 31 August 2023 was to raise the attainment level of all students through innovative practices, use of new technologies, professionalism and quality; with particular emphasis on moral and ethical values.

Student roll:	the total number on roll for the year to 31 August 2023 was 1,007. This has since increased to 1,049 at October 2023.
Admissions:	during the year, the academy was under-subscribed by approximately 14.3% calculated against its official capacity of 1,175. This has since reduced to 10.7% at October 2023.
Permanent exclusions:	the aim is to have exclusions only in exceptional circumstances. Makerfield Academy Trust had 0 permanent exclusions during the period from September 2022 to August 2023.
Staffing:	the average number of (full time equivalent) staff employed during the year to 31 August 2023 was 107.

##### Public benefit

The trust will promote for the benefit of inhabitants of Ashton-in-Makerfield and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The academy trust's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit.

# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Strategic report

#### Achievements and performance

Makerfield Academy Trust's latest Ofsted inspection carried out in September 2022 received an official rating of 'Good' overall and 'Good' in its 4 component areas of Quality of Education, Behaviour and Attitudes, Personal Development and Leadership and Management. The full report can be viewed via the website [www.ofsted.gov.uk](http://www.ofsted.gov.uk).

A succinct school Self Evaluation Form (SEF) based around the OFSTED Framework is maintained as a live document and is validated/updated at regular intervals as is the School Improvement Plan (SIP) which specifies the areas for future development in 2023/24.

- A. Building a New Belonging
- B. SEND, Personalisation and Support
- C. Systems
- D. Achievement

Since 2019 various changes in the proportion of pupils awarded the different grades at GCSE and the methodology applied have been put into place. In the Summer of 2023 a realignment back to 2019 grade proportions took place.

The attainment and progress results for 2023 for Byrchall High School were lower than in 2022. Whilst this in part reflects the challenges evident in recovery from the Covid experiences of pupils, a priority for the Trust is to improve examination outcomes once again.

The school coordinates the Makerfield Community Trust, a collaborative partnership which supports educational institutions of all governance types, to achieve improvements in student outcomes through the design and supply of high quality improvement and business services. The aim of the charitable trust is to advance the education of students at Makerfield Academy Trust and other young people in the historic Makerfield area.

Key Measure	2019	2020(CAGS)	2021 (TAGs)	2022	2023
English & Maths 4+	74.80%	84.3%	81.6%	75.9%	70.2%
English & Maths 5+	53%	60.5%	65.4%	51.8%	41.1%
English Grade 4+	84.1%	93.6%	91.4%	87%	82.1%
English Grade 5+	72.8%	72.1%	76.8%	69.8%	61.9%
English Progress 8	+0.35			+0.22	-0.17
Maths Grade 4+	77.5%	85.5%	82.2%	75.70%	72%
Maths Grade 5+	53.6%	65.1%	67%	52.10%	44.6%
Maths Progress 8	+0.30			+0.07	-0.24

Attendance:

2017	2018	2019	2022	2023
94.4%	94.3%	94.6%	90.01	90.01

2020 and 2021 attendance are not included due to the exceptional circumstances resulting from the national lockdown. The school was only open to key workers' children and vulnerable children from March to July 2020 and from Jan to March 2021.

# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Key performance indicators

The school's performance against the accepted / normal accountability measures was as follows:

- Attainment 8 = 45.06
- Progress 8 = -0.31
- English & Maths 4+ = 70.2%
- English & Maths 5+ = 41.1%

Attendance levels have maintained an acceptable level with 2022/2023 being 90.01%.

The academy places importance on staff retention and development in order to achieve the highest standards of teaching and learning.

2022/23 was a stable year in terms of the school's financial position; with a balanced position of £525,000 at August 2022. A further surplus in the 2022/23 year of £258,000 means overall reserves are now £783,000.

The school's new build project, which is condition led and DFE funded, commenced in April 2023 and is due to be completed for September 2024. The total cost of the project is now projected at £32 million (against a previous estimate of £22 million). Items not covered by the project funding include new furniture, CCTV, and upgrades to the specification. A spend of approximately £325,000 is likely to be required to fund these items and will need to be taken from the reserve.

#### 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 charitable company 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 accounts.

The financial statements have been prepared on the going concern basis, which assumes that the charitable company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued provision of adequate funding. The financial statements do not include any adjustments that would result if the funds were not made available.

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, it continues 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 Statement of Accounting Policies.

#### **Financial review**

The trust's financial position for the year to 31 August 2023 demonstrates total income of £7,029,000 (2022: £6,463,000) with a reported surplus before actuarial gains / losses for the year to 31 August 2023 of £117,000 (2022: deficit of £312,000). The trust has actually achieved an in year operational surplus of £267,000 (2022: surplus of £105,000) before any adjustments for pension costs and capital expenditure.

Any future surpluses will be utilised for continuous improvements and for projects for the repair and replacement of educational equipment and materials. Balances will also be allocated, over the next 18 months, to the repair, replacement and updating of the academy's buildings, its plant, equipment and contents. As the school moves towards the new build, which is scheduled to open in the autumn term of 2024, balances will be utilised for the purchase of new equipment and resources.

All spending of the balances will be reported to the trustees.

The principal financial management policies adopted in the period are:

- regular financial reviews of income and expenditure versus planned budgets at governor committee meetings; and
- consideration as to whether income streams demonstrate a robust and stable position to continue to enable the provision of resources of sufficient quality to fulfil the academy's educational obligations.



# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Reserves policy

It is the aim of the trustees of the academy to show a level of prudence and good financial planning to cover the unexpected and unplanned so that the academy's primary object is preserved under unforeseen circumstances. The main risk to the academy can be summarised as government funding changes and falling rolls or delays in the receipt of grant funding.

Reserves are discussed on an annual basis by governor committees. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of balances.

The academy trust's current level of free reserves (total funds less the amount held in fixed assets restricted fund and excluding pension reserve) is £783,000 restricted funds and £nil unrestricted funds totalling a net surplus of £783 000. Restricted funds are to be used to make significant financial impact in continuing to provide associated services/support in the delivery of education to our students and if required, will be utilised for continuous improvements and for projects for the repair and replacement of educational equipment and materials.

#### Investment policy

The academy aims to manage its cash balances to enable day to day financial management. Where surplus cash funds exist the academy will seek to optimise returns but ensure no risk or loss.

#### Principal risks and uncertainties

Makerfield Academy Trust has adopted a risk management policy and has created a risk register and risk review process. The objectives will be to determine an approach and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principal risks are seen as government funding changes and falling student rolls.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the committees of the board of trustees;
- financial planning, budgeting and regular management reporting highlighting areas of financial risk; and
- a strategic long-term marketing plan.

#### **Fundraising**

The academy trust did not undertake any fundraising activities during the year to 31 August 2023.

#### **Plans for future periods**

The key priorities for the trust are to maintain a continued sound financial surplus, to address the challenges of the current economic climate, progress educational standards, and to establish the long-term plan for the trust's future

#### **Funds held as custodian trustee on behalf of others**

Throughout the year, the trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

# MAKERFIELD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Auditor**

In so far as the trustees are aware:

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

A resolution proposing that UHY Hacker Young Manchester LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 07 December 2023 and signed on its behalf by:

*P Tushingham*

P Tushingham

**Chair of Trustees**

# MAKERFIELD ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Makerfield 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.

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Makerfield Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Trustees	Meetings attended	Out of possible
A Birchall (Principal and Accounting Officer)	7	7
D Howard	5	7
L E Tipping	5	7
C Arstall	3	7
K Liston	1	7
P Tushingham (Chair of Trustees)	7	7
T Wogan	3	7
G M Askew (Appointed 12 September 2023)	0	0

The board has been further strengthened by the addition of a further qualified accountant. Skills audit show a good level of knowledge and effectiveness across key areas.

### Conflicts of interest

All members, Trustees, governors and staff with purchasing authority are required to declare their interests annually by completing the Declaration of Interest proforma. This is reviewed by the academy and held by the Trust.

The declaration of interest is updated on an annual basis or when changes occur.

Members, Trustees, Governors and Staff are advised that if not sure what to declare, or whether / when any declaration needs to be updated, that they should err on the side of caution. The Chair of the Board of Trustees provides advice and it is their responsibility to ensure that professional advice (ie, from the auditors) is sought where necessary.

Interests are recorded on the Trust's Register of Interests, which is maintained by the Clerk. The register is available on request.

At each meeting, the clerk asks for any conflicts of interest to be declared.

### Governance reviews

The academy carries out annual self-evaluations of its trust board and governing body using the NCA (National Governance Association) questions and descriptors. Annual audits take place and a professional governance clerking service is purchased from the local authority. An action plan is put into place when necessary, as are external reviews. Neither was required in 2022/2023.

# MAKERFIELD ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Review of value for money**

As accounting officer, the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to educational and wider societal outcomes, as well as estates safety and management, 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- the allocation of resources to best promote the aims and values of the school;
- the targeting of resources to best improve standards and the quality of provision;
- the use of resources to best support the various educational needs of all students;
- monitoring and evaluating the performance of the school; and
- managing the performance of the staff.

As part of the Best Value and self-evaluation processes we have been committed to:

- making comparisons with other/similar schools using data provided by the LA and the government e.g. ASP online, quality of teaching and learning, levels of expenditure/salaries;
- challenging proposals, examining them for effectiveness, efficiency and cost e.g. setting of annual student achievement targets, expansion or contraction of student numbers;
- requiring suppliers to compete on grounds of cost and quality/suitability of services/products/backup;
- consulting individuals and organisations on quality/suitability of service we provide to parents and students, and services we receive from providers e.g. service level agreements;
- concentrating our efforts and resources into the review of areas that will result in significant improvement to aspects of the school's performance; and
- using students' and parents' viewpoints where most appropriate.

This will apply in particular to:

- leadership and management
- staffing
- use of premises
- use of resources
- financial management
- quality of teaching
- quality of learning
- purchasing
- students' welfare
- health and safety

#### Staffing

We have deployed staff to provide Best Value in terms of quality of teaching, quality of learning, adult-student ratio, curriculum management and professional development of staff to ensure continuing improvement in the school's achievements.

#### Use of premises

We have considered the allocation and use of teaching areas, support areas and communal areas to provide the best environment for teaching and learning, for support services and for communal access to central resources.

#### Use of resources

We have deployed equipment, materials and services to provide students and staff with resources which support the raising of standards through the quality of teaching and the quality of learning.

# MAKERFIELD ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Teaching

We have reviewed the quality of curriculum provision and quality of teaching to provide parents and students with:

- a curriculum which meets the requirements of the National Curriculum and the needs of students of all abilities and provides progression routes to post 16 education and curriculum;
- the agreed RE syllabus;
- teaching which builds on previous learning and has high expectations of children's achievements; and
- details of school improvement priorities and strategies.

#### Learning

We regularly review the quality of children's learning, by cohort, class and group, to ensure the provision of teaching enables children to achieve at their maximum potential. This is done through the setting of student achievement targets, which are aspirational and tracked through their five years at the school.

#### Purchasing

We have developed procedures for assessing needs and obtaining goods and services which provide "Best Value" in terms of suitability, efficiency, time and cost. These procedures will comply with the school's Scheme of Financial Administration. Measures already in place include:

- competitive quotation procedures for goods and services between £10,001-£40,000;
- competitive tendering procedures (e.g. for goods and services above £40,001);
- procedures for accepting "Best Value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship);
- use of YPO for the purchase of goods offered at preferential rates to member authorities;
- use of The Academies Procurement Resource in particular the Crescent Purchasing Consortium, The Government Procurement Services and The Pro-5 where appropriate; and
- examining alternative ways of delivering services e.g. purchase/lease/loan.

#### Students' welfare

We will review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning, social, moral and personal development and recreation.

#### Health and safety

We will review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe and stimulating working environment for students, staff and visitors.

#### Monitoring

These areas will be monitored for Best Value by:

- In-house monitoring by the senior leadership team e.g. classroom practice, work sampling, analysis of student performance.
- External self-review by an independent specialist company.
- Analysis of school student performance data e.g. half-termly progress of student, GCSE examinations against all schools, LA schools, similar schools.
- Analysis of DfE student performance data.
- Analysis of LA student performance data.
- Annual performance management – outcomes/main findings of performance management of staff to determine forthcoming plans for the continuing professional development of staff.
- Annual budget planning, prioritising student achievement and progress, including challenging historical expenditure and targeting available resources to deliver the SIP.
- Monthly financial review, provision of detailed budget monitoring statements, with variance analyses, to the governing body on a termly basis.
- Analysis of financial data, benchmarking information, national CFR benchmarking database, salary comparisons.
- OFSTED inspection records.
- Subject consultant reports.
- Trustee committee meetings.
- Full governing body meetings.
- Annual finance review.
- Annual target setting meeting.

# MAKERFIELD ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **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 Makerfield Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

### **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 period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. 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 and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and continues to use Wigan Council to provide the necessary internal scrutiny. This includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis the council representative reports to the board of trustees on the operation of the systems or control and on the discharge of the board of trustees' financial responsibilities.

Three internal scrutiny reviews were undertaken during the course of the year, with the most recent review in October 2023. Where recommendations had been identified, these were quickly addressed, resulting in the most recent review only identifying one recommendation. A report has been provided to the relevant committee with regards identified recommendations and actions.

All work contracted under the service level agreement for the year 2022/23 has been completed. Areas reviewed in the year consisted of:

- Bank reconciliations
- Expenditure
- Income
- Budgeting/monitoring and financial reporting
- Payroll

# MAKERFIELD ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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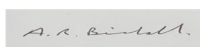
### Review of effectiveness

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

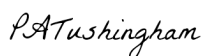
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the finance and premises committee;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 07 December 2023 and signed on its behalf by:



A Birchall  
**Principal and Accounting Officer**



P Tushingham  
**Chair of Trustees**

# MAKERFIELD ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

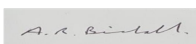
***FOR THE YEAR ENDED 31 AUGUST 2023***

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As accounting officer of Makerfield Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, 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 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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.



A Birchall  
**Accounting Officer**

07 December 2023



# MAKERFIELD ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees (who are also the directors of Makerfield Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 07 December 2023 and signed on its behalf by:

*P Tushingham*

P Tushingham  
**Chair of Trustees**

# MAKERFIELD ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAKERFIELD ACADEMY TRUST

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

We have audited the accounts of Makerfield Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' 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 accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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.

### Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

# MAKERFIELD ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAKERFIELD ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# MAKERFIELD ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAKERFIELD ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we considered the following:

- The nature of the industry and sector, control environment and business performance.
- Any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- The matters discussed among the audit engagement team and involving relevant internal specialists, including tax, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: recognition of income and misappropriation of funds. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks the academy operates in, focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and Academies Accounts Direction.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In addressing the risk of fraud through inappropriate recording of income, we review the existence and completeness of ESFA income and reconcile all other material income streams to third party evidence;
- We carry out a detailed review of deferred income, including a review of amounts released to income in the year.
- We review a sample of expenditure to ensure it has been appropriately authorised and that tender process have been followed where applicable;
- We carry out a review of the register of interests and minutes to ensure that all related parties have been disclosed adequately;
- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

# MAKERFIELD ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAKERFIELD ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Stephen Grayson ACA FCCA (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young Manchester LLP**

7 December 2023

**Chartered Accountants  
Statutory Auditor**

St James Building  
79 Oxford Street  
Manchester  
M1 6HT

# **MAKERFIELD ACADEMY TRUST**

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

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Makerfield Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Makerfield Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Makerfield 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 Makerfield Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Makerfield Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Makerfield Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

In line with the Framework and guide for External Auditors and Reporting Accountants of Academy Trusts issued April 2023, we have not performed any additional procedures regarding the academy trust's compliance with safeguarding, health and safety and estates management.

# MAKERFIELD ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAKERFIELD ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Conclusion**

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

*S Grayson*

### **Reporting Accountant**

UHY Hacker Young Manchester LLP

Dated: 07/12/2023 .....

# MAKERFIELD ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2023 £000	Total 2022 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	11	-	70	81	20
Charitable activities:						
- Funding for educational operations	4	-	6,754	-	6,754	6,268
Other trading activities	5	137	57	-	194	172
Investments	6	-	-	-	-	3
<b>Total</b>		<u>148</u>	<u>6,811</u>	<u>70</u>	<u>7,029</u>	<u>6,463</u>
<b>Expenditure on:</b>						
Raising funds	7	139	-	-	139	128
Charitable activities:						
- Educational operations	8	9	6,617	147	6,773	6,647
<b>Total</b>	7	<u>148</u>	<u>6,617</u>	<u>147</u>	<u>6,912</u>	<u>6,775</u>
<b>Net income/(expenditure)</b>		-	194	(77)	117	(312)
Transfers between funds	16	-	(9)	9	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	708	-	708	2,983
Restriction for pension asset		-	(412)	-	(412)	-
<b>Net movement in funds</b>		-	481	(68)	413	2,671
<b>Reconciliation of funds</b>						
Total funds brought forward		-	302	3,009	3,311	640
Total funds carried forward		<u>-</u>	<u>783</u>	<u>2,941</u>	<u>3,724</u>	<u>3,311</u>



# MAKERFIELD ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£000	£000	£000	£000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	20	20
Charitable activities:					
- Funding for educational operations	4	-	6,268	-	6,268
Other trading activities	5	154	18	-	172
Investments	6	3	-	-	3
<b>Total</b>		157	6,286	20	6,463
<b>Expenditure on:</b>					
Raising funds	7	128	-	-	128
Charitable activities:					
- Educational operations	8	29	6,489	129	6,647
<b>Total</b>	7	157	6,489	129	6,775
<b>Net expenditure</b>		-	(203)	(109)	(312)
Transfers between funds	16	-	(47)	47	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	2,983	-	2,983
<b>Net movement in funds</b>		-	2,733	(62)	2,671
<b>Reconciliation of funds</b>					
Total funds brought forward		-	(2,431)	3,071	640
Total funds carried forward		-	302	3,009	3,311

# MAKERFIELD ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	12		2,941		3,009
<b>Current assets</b>					
Debtors	13	165		165	
Cash at bank and in hand		1,061		921	
		<u>1,226</u>		<u>1,086</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(443)		(561)	
		<u></u>		<u></u>	
<b>Net current assets</b>			783		525
			<u></u>		<u></u>
<b>Net assets excluding pension liability</b>			3,724		3,534
			<u></u>		<u></u>
Defined benefit pension scheme liability	18		-		(223)
			<u></u>		<u></u>
<b>Total net assets</b>			3,724		3,311
			<u><u></u></u>		<u><u></u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			2,941		3,009
- Restricted income funds			783		525
- Pension reserve			-		(223)
			<u></u>		<u></u>
<b>Total restricted funds</b>			3,724		3,311
			<u></u>		<u></u>
<b>Unrestricted income funds</b>	16		-		-
			<u></u>		<u></u>
<b>Total funds</b>			3,724		3,311
			<u><u></u></u>		<u><u></u></u>

The accounts on pages 22 to 44 were approved by the trustees and authorised for issue on 07 December 2023 and are signed on their behalf by:

*P Tushingham*

P Tushingham

**Chair of Trustees**

Company registration number 08175642 (England and Wales)

# MAKERFIELD ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

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	Notes	2023 £000	£000	2022 £000	£000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		149		369
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		-		3	
Capital grants from DfE Group		70		20	
Purchase of tangible fixed assets		(79)		(67)	
<b>Net cash used in investing activities</b>			(9)		(44)
<b>Net increase in cash and cash equivalents in the reporting period</b>			140		325
Cash and cash equivalents at beginning of the year			921		596
<b>Cash and cash equivalents at end of the year</b>			1,061		921

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# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

Makerfield Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

##### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 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 charitable company 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 accounts.

The financial statements have been prepared on the going concern basis, which assumes that the charitable company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued provision of adequate funding. The financial statements do not include any adjustments that would result if the funds were not made available.

Considering the above the trustees have a reasonable expectation that the charitable company 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 annual report and accounts.

##### 1.3 Income

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

###### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

###### Sponsorship income

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

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	50 Years Straight-Line
Computer equipment	3 Years Straight-Line
Fixtures, fittings & equipment	7 Years Straight-Line

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

#### 1.6 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.

#### 1.7 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.8 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.9 Pensions benefits

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

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

#### 1.10 Fund accounting

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

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

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

### 2 Critical accounting estimates and areas of judgement

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

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### 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 18, 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 2020 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The Academy Trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 5.2% is considerably higher than the rate of 4.3% used in 2022. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £223k to £nilk during the year.

FRS 102 section 28.22 allows an entity to recognise a surplus within the Local Government Pension Scheme "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan." The Academy Trust has considered it unlikely that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary.

Therefore, although the actuarial report for the year ended 31 August 2023 indicates a defined benefit asset of £412k exists at the year end date, the actuarial gain has been restricted by this amount to leave a break even position and neither an asset or liability has been recognised.

#### 3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Capital grants	-	70	70	20
Other donations	11	-	11	-
	<u>11</u>	<u>70</u>	<u>81</u>	<u>20</u>



# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	5,771	5,771	5,626
Other DfE/ESFA grants:				
- Others	-	757	757	485
	-	6,528	6,528	6,111
<b>Other government grants</b>				
Local authority grants	-	226	226	157
<b>Total funding</b>	-	6,754	6,754	6,268

### 5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Hire of facilities	1	-	1	5
Catering income	20	-	20	8
Parental contributions	-	57	57	18
Other income	116	-	116	141
	137	57	194	172

### 6 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Short term deposits	-	-	-	3

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

	Staff costs £000	Non-pay expenditure		Total 2023 £000	Total 2022 £000
		Premises £000	Other £000		
Expenditure on raising funds					
- Direct costs	-	-	139	139	128
Academy's educational operations					
- Direct costs	3,424	95	656	4,175	4,886
- Allocated support costs	1,851	519	228	2,598	1,761
	<u>5,275</u>	<u>614</u>	<u>1,023</u>	<u>6,912</u>	<u>6,775</u>

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	-	7
Depreciation of tangible fixed assets	147	129
Fees payable to auditor for:		
- Audit	12	10
- Other services	7	6
Net interest on defined benefit pension liability	11	49
	<u>177</u>	<u>201</u>

### 8 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
<b>Direct costs</b>				
Educational operations	-	4,175	4,175	4,886
<b>Support costs</b>				
Educational operations	9	2,589	2,598	1,761
	<u>9</u>	<u>6,764</u>	<u>6,773</u>	<u>6,647</u>

Analysis of costs

	2023 £000	2022 £000
<b>Direct costs</b>		
Teaching and educational support staff costs	3,424	4,142
Depreciation	95	97
Technology costs	114	136
Educational supplies and services	155	157
Examination fees	100	91
Educational consultancy	210	220
Other direct costs	77	43
	<u>4,175</u>	<u>4,886</u>

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8	Charitable activities	(Continued)	
	<b>Support costs</b>		
	Support staff costs	1,851	1,036
	Depreciation	52	32
	Technology costs	-	1
	Recruitment and support	30	37
	Maintenance of premises and equipment	79	76
	Cleaning	132	121
	Energy costs	173	104
	Rent, rates and other occupancy costs	50	52
	Insurance	25	19
	Security and transport	8	(3)
	Catering	71	86
	Finance costs	11	49
	Legal costs	3	2
	Other support costs	107	133
	Governance costs	6	16
		<u>2,598</u>	<u>1,761</u>
		<u><u>2,598</u></u>	<u><u>1,761</u></u>
	<b>9 Staff</b>		
	<b>Staff costs</b>		
	Staff costs during the year were:		
		<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
	Wages and salaries	3,875	3,590
	Social security costs	390	367
	Pension costs	925	1,084
		<u>5,190</u>	<u>5,041</u>
	Staff costs - employees	5,190	5,041
	Agency staff costs	85	129
	Staff restructuring costs	-	8
		<u>5,275</u>	<u>5,178</u>
	Total staff expenditure	<u><u>5,275</u></u>	<u><u>5,178</u></u>
	Staff restructuring costs comprise:		
	Severance payments	<u>-</u>	<u>8</u>

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Staff

(Continued)

##### Staff numbers

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

	2023 Number	2022 Number
Teachers	63	61
Administration and support	57	56
Management	7	7
	<u>127</u>	<u>124</u>

##### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	6	2
£70,001 - £80,000	-	1
£100,000 - £110,000	2	1
	<u>8</u>	<u>4</u>

##### 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 £713,487 (2022: £698,013).

#### 10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Birchall (principal) £110,000 - £115,000 (2022: £105,000-110,000)

The value of trustees' retirement benefits was as follows:

A Birchall (principal) £15,000 - £20,000 (2022: £25,000-£30,000)

Other related party transactions involving the trustees are set out within the related parties note.

There were no expenses reimbursed to trustees within the year.

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 11 Trustees' and officers' insurance

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

#### 12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000
<b>Cost</b>				
At 1 September 2022	3,654	912	209	4,775
Additions	-	78	1	79
Disposals	-	(778)	(66)	(844)
At 31 August 2023	3,654	212	144	4,010
<b>Depreciation</b>				
At 1 September 2022	769	833	164	1,766
On disposals	-	(778)	(66)	(844)
Charge for the year	85	51	11	147
At 31 August 2023	854	106	109	1,069
<b>Net book value</b>				
At 31 August 2023	2,800	106	35	2,941
At 31 August 2022	2,885	79	45	3,009

#### 13 Debtors

	2023 £000	2022 £000
Trade debtors	-	17
VAT recoverable	26	50
Prepayments and accrued income	139	98
	165	165

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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**14 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	111	203
Other taxation and social security	90	96
Other creditors	174	138
Accruals and deferred income	68	124
	<u>443</u>	<u>561</u>
	<u>      </u>	<u>      </u>

**15 Deferred income**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Deferred income is included within:		
Creditors due within one year	44	56
	<u>      </u>	<u>      </u>
Deferred income at 1 September 2022	56	38
Released from previous years	(56)	(38)
Resources deferred in the year	44	56
	<u>      </u>	<u>      </u>
Deferred income at 31 August 2023	44	56
	<u>      </u>	<u>      </u>

At the balance sheet date the trust was holding the following funds which had been received in relation to:

- SEN income - £31,917
- ESFA early careers grant - £11,485
- Other- £673

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	525	5,771	(5,504)	(9)	783
Other DfE/ESFA grants	-	757	(757)	-	-
Other government grants	-	226	(226)	-	-
Other restricted funds	-	57	(57)	-	-
Pension reserve	(223)	-	(73)	296	-
	<u>302</u>	<u>6,811</u>	<u>(6,617)</u>	<u>287</u>	<u>783</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	2,484	-	-	-	2,484
DfE group capital grants	348	70	(147)	9	280
Capital expenditure from GAG	111	-	-	-	111
Private sector capital sponsorship	66	-	-	-	66
	<u>3,009</u>	<u>70</u>	<u>(147)</u>	<u>9</u>	<u>2,941</u>
<b>Total restricted funds</b>	<u>3,311</u>	<u>6,881</u>	<u>(6,764)</u>	<u>296</u>	<u>3,724</u>
<b>Unrestricted funds</b>					
General funds	-	148	(148)	-	-
	<u>-</u>	<u>148</u>	<u>(148)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>3,311</u>	<u>7,029</u>	<u>(6,912)</u>	<u>296</u>	<u>3,724</u>

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objectives of the academy.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those which the Governing Body may use in the pursuance of the academy's objectives and are expendable at the discretion of the Governors.

Transfer of funds from General Annual Grant restricted general funds to restricted fixed asset funds are to fund assets for which no capital grant was received.

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

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

(Continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	420	5,626	(5,474)	(47)	525
Other DfE/ESFA grants	-	485	(485)	-	-
Other government grants	-	157	(157)	-	-
Other restricted funds	-	18	(18)	-	-
Pension reserve	(2,851)	-	(355)	2,983	(223)
	<u>(2,431)</u>	<u>6,286</u>	<u>(6,489)</u>	<u>2,936</u>	<u>302</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	2,484	-	-	-	2,484
DfE group capital grants	457	20	(129)	-	348
Capital expenditure from GAG	64	-	-	47	111
Private sector capital sponsorship	66	-	-	-	66
	<u>3,071</u>	<u>20</u>	<u>(129)</u>	<u>47</u>	<u>3,009</u>
<b>Total restricted funds</b>	<u>640</u>	<u>6,306</u>	<u>(6,618)</u>	<u>2,983</u>	<u>3,311</u>
<b>Unrestricted funds</b>					
General funds	-	157	(157)	-	-
	<u>-</u>	<u>157</u>	<u>(157)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>640</u>	<u>6,463</u>	<u>(6,775)</u>	<u>2,983</u>	<u>3,311</u>

### 17 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	2,941	2,941
Current assets	-	1,226	-	1,226
Current liabilities	-	(443)	-	(443)
<b>Total net assets</b>	<u>-</u>	<u>783</u>	<u>2,941</u>	<u>3,724</u>



# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	3,009	3,009
Current assets	-	1,086	-	1,086
Current liabilities	-	(561)	-	(561)
Pension scheme liability	-	(223)	-	(223)
	=====	=====	=====	=====
<b>Total net assets</b>	-	302	3,009	3,311
	=====	=====	=====	=====

### 18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £78,379 were payable to the schemes at 31 August 2023 (2022: £73,681) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023.

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% 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 £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The revised employer contribution rate, arising from the 2020 valuation, is due to be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to the TPS in the period amounted to £759,931 (2022: £680,892).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.3% for employers and 5.5% to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £161,000.

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

<b>Total contributions made</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Employer's contributions	169	153
Employees' contributions	53	46
	<hr/>	<hr/>
Total contributions	222	199
	<hr/>	<hr/>
<b>Principal actuarial assumptions</b>	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.8	3.8
Rate of increase for pensions in payment/inflation	3	3.1
Discount rate for scheme liabilities	5.2	4.3
	<hr/>	<hr/>

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Pension and similar obligations

(Continued)

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

	<b>2023</b>	<b>2022</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	18.6	20.3
- Females	22.6	23.2
Retiring in 20 years		
- Males	20.1	21.6
- Females	24.9	25.1

Scheme liabilities would have been affected by changes in assumptions as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Discount rate + 0.1%	74	87
Mortality assumption + 1 year	126	144
0.1% increase in the pension increase rate	66	79

#### Defined benefit pension scheme net asset/(liability)

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Scheme assets	3,560	3,376
Scheme obligations	(3,148)	(3,599)
Surplus / (deficit) in scheme	412	(223)
Restriction on scheme assets	(412)	-
Net liability recognised	-	(223)

#### The academy trust's share of the assets in the scheme

	<b>2023</b>	<b>2022</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£000</b>	<b>£000</b>
Equities	2,492	2,329
Bonds	498	473
Cash	285	270
Property	285	304
Total market value of assets	3,560	3,376

The actual return on scheme assets was £16,000 (2022: £43,000).

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Pension and similar obligations	(Continued)	
<b>Amount recognised in the statement of financial activities</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Current service cost	231	444
Past service cost	-	15
Interest income	(147)	(54)
Interest cost	158	103
	<hr/>	<hr/>
Total operating charge	242	508
	<hr/> <hr/>	<hr/> <hr/>
<b>Changes in the present value of defined benefit obligations</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
At 1 September 2022	3,599	6,018
Current service cost	231	444
Interest cost	158	103
Employee contributions	53	46
Actuarial gain	(839)	(2,994)
Benefits paid	(54)	(33)
Past service cost	-	15
	<hr/>	<hr/>
At 31 August 2023	3,148	3,599
	<hr/> <hr/>	<hr/> <hr/>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
At 1 September 2022	3,376	3,167
Interest income	147	54
Actuarial loss	(131)	(11)
Employer contributions	169	153
Employee contributions	53	46
Benefits paid	(54)	(33)
	<hr/>	<hr/>
At 31 August 2023	3,560	3,376
	<hr/> <hr/>	<hr/> <hr/>

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2023 £000	2022 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		117	(312)
Adjusted for:			
Capital grants from DfE and other capital income		(70)	(20)
Investment income receivable	6	-	(3)
Defined benefit pension costs less contributions payable	18	62	306
Defined benefit pension scheme finance cost	18	11	49
Depreciation of tangible fixed assets		147	129
(Increase) in debtors		-	(14)
(Decrease)/increase in creditors		(118)	234
<b>Net cash provided by operating activities</b>		<u>149</u>	<u>369</u>

#### 20 Analysis of changes in net funds

	1 September 2022 £000	Cash flows £000	31 August 2023 £000
Cash	921	140	1,061

#### 21 Capital commitments

	2023 £000	2022 £000
Expenditure contracted for but not provided in the accounts	33	-

#### 22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook 2022, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Winstanley College - a Trustee of Makerfield Academy Trust, L Tipping, is also the Principal at Winstanley College.

- The Trust purchased careers advice totalling £7,600 (2022: £10,200).

# MAKERFIELD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2023*

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### **23 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.