

Registration number: 06754335

Greater Manchester Academies Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

Greater Manchester Academies Trust

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 22
Governance Statement	23 to 27
Statement of Regularity, Propriety and Compliance	28
Statement of Trustees' Responsibilities	29
Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust	30 to 34
Independent Reporting Accountant's Assurance Report on Regularity to Greater Manchester Academies Trust and the Education and Skills Funding Agency	35 to 36
Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)	37 to 38
Balance Sheet as at 31 August 2022	39 to 40
Statement of Cash Flows for the year ended 31 August 2022	41
Notes to the Financial Statements	42 to 68

Greater Manchester Academies Trust

Reference and Administrative Details

Members	Mr J Falder (Chair) Mr R Lawler (appointed 1 September 2021) Ms K Kerr (appointed 7 February 2022) Mr A Davies, appointed by British Telecom (resigned 31 August 2022) Ms S White, appointed by British Telecom (appointed 7 February 2022 and resigned 31 August 2022) Prof C Raffo, appointed by the University of Manchester (resigned 7 February 2022)
Trustees (Directors)	Mrs S Walker (Chair) Mrs D Barrow (Vice Chair) Mr H Ngawoofah Ms C Brett (appointed 1 September 2021) Ms T Said (appointed 1 September 2021) Mr J Rowlands (Executive Principal and Accounting Officer) Ms S Green (appointed 4 October 2022) Mr D Lea (appointed 4 October 2022) Mrs H Slinger (resigned 31 August 2022) Mrs H Vaughan (resigned 31 August 2022)
Company Secretary	Oakwood Corporate Secretary Limited
Senior Management Team	Mr J Rowlands, Executive Principal and Accounting Officer Ms S Watmough, MCA Headteacher Mr A Reed, MCPA Headteacher Dr P Hodson, Director of Families and Communities Mr A Woolley, Associate Vice Principal Mr S Ash, Chief Financial Officer (resigned 10 April 2022) Ms S Rulal, Chief Financial Officer

Greater Manchester Academies Trust

Reference and Administrative Details (continued)

Principal and Registered Office	Oakwood Corporate Services 3rd Floor 1 Ashley Road Altrincham Cheshire WA14 2DT
Correspondence Address	Silchester Drive Manchester M40 8NT
Company Registration Number	06754335
Auditors	Beever and Struthers Chartered Accountants and Statutory Auditors One Express 1 George Leigh Street Manchester M4 5DL
Bankers	The Co-Operative Bank PO Box 101 1 Balloon Street Manchester M60 4EP
Solicitors	Mills & Reeve Botanic House 100 Hills Road Cambridge CB2 1PH

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022

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

The Trust operates two academies within the community of North Manchester: Manchester Communication Academy (MCA) for students ages 11-16, and Manchester Communication Primary Academy (MCPA) for pupils aged 3-11. The Trust also operates Teach North Manchester, which is the North Manchester Initial Teacher Training (NMITT) centre.

The Trust had a combined student roll of 1,683 as at the school census date of 7 October 2022. (MCA 1,233 & MCPA 450)

Structure, governance and management

Constitution

The Trust is an exempt charity and is constituted as a charitable company limited by guarantee (number: 06754335), governed by its Memorandum and Articles of Association. There were no significant amendments to these governing documents during the year.

The Trustees of Greater Manchester Academies Trust (GMAT) are also the directors of the charitable company for the purpose of company law. The charitable company was previously known as Manchester Communication Academy, with the change in name being resolved in 2016.

Details of the Trustees who served during the year are included in the Reference and Administrative Details section on Page 1. Local governing bodies for MCA and MCPA were in place during 2021-22 and a NMITT Strategic Management Committee was also in place throughout the year.

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 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 cease to be a member.

Trustees' indemnities

Subject to the provisions of the Companies Act 2006, every trustee or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending the proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

Method of recruitment and appointment or election of Trustees

The articles of association require the appointment of at least three trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Trust. They are appointed as follows:

- Up to 12 Trustees, appointed by the Members (S Walker, D Barrow, H Ngawoofah, C Brett, T Said)
- The CEO if appointed as a Trustee (J Rowlands)
- A minimum of 2 Parent Trustees elected or appointed in the event that no Local Governing Bodies are established or if no provision is made for at least 2 Parent Governors on each established Local Governing Body (2 Parent Governors are elected on each established Local Governing Body)

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

The term of office for any trustee is four years, save that:

- (i) this time limit shall not apply to the Executive Principal / Accounting Officer
- (ii) a staff trustee shall cease to hold office if they cease to be employed at the Trust.

Any trustee may be re-appointed or re-elected.

The trustees who are currently in office and served throughout the year are listed on page 1. During the period under review the trustees held seven meetings of the full Trust Board (five routine meetings and two extra-ordinary meetings).

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees depends on their existing experience. New trustees undergo training on the legal obligations under company law, the content of the Memorandum and Articles of Association, the governance and decision making process of the Trust, the strategy, the financial position of the Trust and recent financial performance of the Trust.

Where necessary induction provides training on charity matters and on educational, legal and financial matters.

All new trustees are given a tour of the academies within the Trust and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as trustees. Inductions are tailored specifically to the individual.

The Trust employs a Governance and Compliance Professional who provides guidance to the trustees on compliance with appropriate legal, regulatory, statutory and other frameworks. The Governance and Compliance Professional maintains training records and skills inventories for the board of trustees.

Organisational structure

A unified management structure operates at the Trust. The management structure consists of four levels:

- 1) the members
- 2) the trustees
- 3) the local governing bodies
- 4) the senior leadership team

The aim of the management structure is to devolve responsibility and encourage involvement in Trust decision making.

The trustees are responsible for setting general policy, adopting an annual and three-year plan and budget, monitoring the Trust by the use of budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

Local Governing Bodies (LGBs) are in place at MCA and MCPA. LGBs oversee the operation of each academy, as per the Trust's Scheme of Delegation and the Chair of MCPA but not MCA sits on the Trust Board. The LGBs have their own terms of reference.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The senior leaders during the year of account were the Executive Principal who acted as Accounting Officer, supported by the academy Headteachers, an Associate Vice Principal, the Director of Families and Communities and the Chief Financial Officer.

In addition, a designated Senior Safeguarding Lead and other Shared Services Leads formed part of a wider Trust leadership group, whose teams provide services to all GMAT academies and institutions.

The senior leaders direct the Trust at an executive level, implementing the policies laid down by the trustees and reporting back to them. As a group the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for staff in the management team always contain a trustee. Some spending control is devolved to members of the wider management team, with limits above which a senior manager must countersign. These are fully captured and detailed in the Trust's Financial Control Policy.

The management teams at academy level, which includes the senior management, Vice Principals and Assistant Principals, are responsible for the day-to-day operation of the Trust, in particular organising the teaching staff, facilities & students.

Arrangements for setting pay and remuneration of key management personnel

The Trust has a pay scale, agreed by the Trustees, which covers all senior managers (grades are broadly comparable to those found at maintained schools in Manchester). The Executive Principal's pay is reviewed annually by the Chair in liaison with an independent, impartial consultant. The Chair must approve any changes to remuneration.

During the period of account, the Executive Principal was responsible for the performance management of Academy Headteachers and other senior leaders. The Executive Principal met with each staff member in this group to review their progress against agreed targets, and decisions regarding pay progression followed on from this.

Trustees are not paid for their services as board members; however, Trustees may be reimbursed for any appropriate business expenses. During the reporting period, these were nil.

Connected organisations, including related party relationships

The Executive Principal, Mr J Rowlands was appointed a Trustee of Right To Succeed in July 2020. GMAT received no grants from Right To Succeed during the year. The Right to Succeed Project is a collaboration between Right to Succeed, Manchester City Council and nine Manchester secondary schools which explores ways of reducing pupil exclusions across the city through developing opportunities for young people and delivering positive educational changes.

Another of the Trustees, Mr H Ngawoofah is an employee of Young Manchester. The Trust received no grants from Young Manchester during the year.

Finally, another of our Trustees, Mrs D Barrow is an employee of the local authority, Manchester City Council.

Section 172 Statement

Under Section 172 of the Companies Act 2006, the Trustees of GMAT must act faithfully in the way they consider, would most likely to promote the success of the Trust for the benefit of all of its stakeholders as a whole.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

In doing so each trustee must have regard (amongst other matters) to: -

- (i) the likely consequences of any decision in the long term;
- (ii) the interest of the Trust's employees;
- (iii) the need to foster the Trust's business relationships with suppliers, customers and other stakeholders;
- (iv) the impact of the Trust's operations on the local and wider community and on the environment;
- (v) the desirability of the Trust maintaining a reputation for high standards of business conduct; and
- (vi) the need to act fairly as between members of the Trust.

(i) The likely consequences of any decision in the long term

The Trust primarily engages its key decision making in alignment to its Strategic Business Plan, and in particular the Key Priorities. The Key Priorities link back to the Trust's vision which is 'to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, mitigates the effects of disadvantage and positively impacts social mobility'.

The Key Priorities in the 2022-27 Strategic Business Plan are:

- (a) Ensuring Educational Excellence
- (b) Ensuring Excellence in our people
- (c) To have impact and influence locally and beyond
- (d) Building capacity and growth

All Trust decisions are made with the intention of directly or indirectly improving educational outcomes for our students; however, each individual decision considers the impact on all stakeholders and considers the need for any changes to, or refinements of decisions previously taken.

The Trust ambition to grow will require short term investment and growth plan to allow for expansion and an increase in recruitment of varied skills and expertise to ensure long term stability. A strategic plan for 2022-2027 has been devised which outlines the importance and Years 1-2 and 3-5 success criteria.

The Trust will build a strong infrastructure, which is financially viable and sustainable. We will ensure efficient, effective and robust systems and processes are in place for finance, recruitment, HR and governance and that these lead to high levels of trust and transparency. Through developing future-proofing support services, we will maintain and increase capacity in and growth of the MAT that leads to financial best practice and VFM through economies of scale, shared procurement and sharing of resources without compromising impact on student experience.

In financial year 2021-22 and post the Trust secondary school exceeded the published admission numbers due to increased demand, which if continued will require review of capacity and investment to ensure effective and compliant management of pupils and staffing.

(ii) The interest of the Trust's employees

The Trust recognises the importance of its employees and it values the contributions made by all staff to providing the best possible education for our young people; to supporting the ambitions of our young people and their families; to delivering transformational, positive social impact in our communities; and to improving the life chances of our young people.

The Trust continues to review policies and processes with a view to implement ongoing improvements to its Family Policy by way of favourable changes to occupational paternity, maternity, adoption and shared parental pay.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The Trust has engaged with its employees through staff surveys, and through promotion of honest, open, respectful and regular communication within and across teams throughout the Trust. Any issues raised are addressed as soon as is practically possible which steps taken to address communicated back to staff.

Staff are offered access to a wide range of wellbeing and other support initiatives. Post Pandemic the trust has recently re-introduced staff sports sessions, mentoring sessions and other face-to-face engagement and enhanced pastoral support. The Trust is committed to investing in the development and allows staff to undertake CPD.

In April 2022 the Trust central team appointed a new CIPD qualified HR Manager to support employee related matters and drive the HR Strategic Vision.

(iii) The need to foster the Trust's business relationships with suppliers, customers and other stakeholders

The Trust recognises the importance of building a good working relationship with all of its suppliers, especially those from within the locality. The Trust's Financial Control Policy has a comprehensive section on procurement, payments and expenditure, in which it details how it is desired that preferred suppliers who can clearly demonstrate value for money are those based within the local community or those having an affinity with what we are striving to achieve in the local community.

The Trust has a lettings portfolio, which comprises of a hybrid of community and commercial bookings for a wide range of sports, activities, meetings and sessions. The Trust's Lettings Policy articulates how the two-way engagement between hirers and the Trust has a positive impact on the communities we serve.

The solid working relationships the Trust has with partners, suppliers, customers and other stakeholders are continually evolving and improving, and the Trust acknowledges that these working relationships are cardinal to our effectiveness and delivery of services.

(iv) The impact of the Trust's operations on the local community and on the environment

The Trust has a positive impact on the local community of North Manchester by way of delivering deep social impact through extensive community and stakeholder insight. Fundamental to the mitigation of the effects of disadvantage and to the positive impacts on social mobility, is the provision of an excellent education to our students; however, further to this is the facilitation of a number of programmes and initiatives within our community.

The Trust continues to further improve its impact on the environment and support in reducing negative environmental and social factors. The Trust has taken the following steps to drive developments in energy efficiency and in elimination of waste: installation of a full suite of LED lighting throughout both academies; installation and maintenance of efficient boiler systems; Installation of Mounted Electric car chargers. Due to the impact of the pandemic the Trust has continued with a hybrid of face-to-face and video conference meetings.

The Trust is also working with environmental consultants to identify ways the Trust can reduce energy consumption and costs and providing support for Salix submissions and advise on energy efficient technologies.

The Trust also offers staff the cycle to work scheme and car scheme, which both encourage a reduction in carbon footprint and factor in environmental factors alongside support employee interests.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The Trust is developing an Environmental Strategy which will articulate how we will aim to reduce our carbon footprint and how we will make more efficient use of our resources with regards to our environmental impact. The Trust recognises its responsibility to care for the environment.

(v) The desirability of the Trust maintaining a reputation for high standards of business conduct

The reputation of the Trust and of its academies is a fundamental part of its current and future successes. The values, vision and strategy of the Trust are an integral part of recruitment, selection, training and continuous professional development of our staff, and these have a consequential positive impact on dealings with all internal and external stakeholders.

(vi) The need to act fairly as between members of the Trust

The Trust has a clear, well-communicated vision and strategy which underpins our desire to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, mitigates the effects of disadvantage and positively impacts social mobility.

The Trust produces transparent comprehensive financial and management reporting which is appropriately reviewed and scrutinised, before being used to substantiate business decisions, ultimately impacting our pupils and students.

The Trust strives to continue to be a fully inclusive organisation and does not unfairly discriminate against our students, staff or any other member of our community and stakeholders.

Objectives and activities

Our Core Values

The Trust has five core values which underpin everything we do: *trustworthy; helpful; inspiring; straightforward and heart.*

These values are the foundations upon which every aspect of our work and success are built.

Objects and aims

The Trust's vision is to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, mitigates the effects of disadvantage and positively impacts social mobility, with a goal to improve life chances for a wider population by reaching more pupils and their communities and leverage better value and increased economies for shared services.

GMAT aims to deliver excellent provision for students, families and the community and staff and aims to bring equality of educational experience to every student in order to maximise outcomes for all.

Students will:

- be physically, socially, emotionally safe and healthy
- be asset rich and resilient to the effects of the area and of personal disadvantage
- make good or better academic progress at each stage of their education
- be able to secure the employment opportunities of their choice
- be able to contribute to the community

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

It is the aim of GMAT that staff will achieve the highest professional standards, continuously developing their skills and experience through high quality research, training and innovation. In addition to this, the Trust supports Teacher Training through the North Manchester Initial Teacher Training Partnership.

Public benefit

The primary purpose of Greater Manchester Academies Trust is the advancement of education in the Greater Manchester area. Inextricably linked with this purpose is the aim of contributing to the public good. Through the provision of educational and other activities, the Trust aims to contribute considerable benefit to the local community. Families and the wider community make an important contribution throughout GMAT. They access outstanding facilities and the diverse programme of social and learning opportunities. Their involvement underpins a far reaching community strategy.

The Trustees have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Achievements and performance

Our ambition for the community we serve shapes our approach at all levels of the Trust. Whilst we aim to build a strong and cohesive identity, with common expectations and standards, we recognise that each school within the Trust has its own unique characteristics. Collaboration and joint working ensure that all schools within the Trust, and those that work with us, can share in, and benefit from, each other's strengths.

Our ambition is to be a successful and growing MAT that is to foster an inclusive and aspirational culture that promotes academic success and lifelong skills amongst all our children, regardless of their social, economic or cultural background.

To achieve this, we must:

- Make a positive difference to the lives of the children, their families and the communities we serve.
- Have an unflinching commitment to closing the gap between all groups of students so that no child is left behind.
- Build a positive, inclusive culture that fosters open and honest communication so that barriers to our vision can be removed.
- Provide a working environment to enable our staff to develop and flourish, working for an employer of choice that supports them personally as well as professionally.

Across our Trust, our children will:

- Be physically, socially, emotionally safe and healthy
- Be asset rich and resilient to the effects of area and personal disadvantage
- Make good or better academic progress at each key stage of their education
- Be able to secure the employment opportunities of their choice
- Be able to contribute to the community
- Be able to communicate effectively through technology and innovation

Our families and the wider community make an important contribution throughout GMAT. They are able to access our outstanding facilities and the diverse programme of social and learning opportunities. Their involvement underpins our community strategy.

Our staff achieve the highest professional standards, continuously developing their skills and experience through high quality research, training and innovation. We ensure that their working conditions allow them to be happy and fulfilled at GMAT.

During the academic year 2021-22, schools within the Trust sat exams for the first time since the pandemic and we are proud of the results achieved. For example, at MCA, the percentage of students achieving grade 5 or above in English and maths being above the national average ensuring that student progress was 'Well above/ above' the national average. At MCPA, the results are broadly in line with SATs national averages and above the LA average for combined EM.

Both schools are full to capacity with waiting lists. For example, for every new place into Year 7 at MCA, there are on average 2.5 applications with 96% of the 240 places being first school preference applications.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

During the academic year 2021-22,

MCA

The 2021 - 2022 academic year saw a return of full examinations at key stage 4. The previous two years used Centre Assessed Grades (CAG) and Teacher Assessed Grades (TAG) to determine GCSE results due to the disruption of the coronavirus pandemic.

This year was seen as a hybrid year as a transition from TAGs to a formal examination series. To support the students in this transition, exam boards released some materials in advance of the examinations and grade boundaries were modified.

MCA was pleased to share with the Trust Board that the Academy achieved the best results in our history. MCA attainment 8 score of 48.35 is the highest it has ever been with an increase of 5.24 on 2019 outcomes. English and Maths scores at the 4+ threshold are now 64%, this is 17% up on the 2019 data and shows a steady increase from the CAG & TAG years.

MCA English and Maths scores at the 5+ threshold are now 52%. This is 24% up on the 2019 data and shows a big increase from the CAG & TAG years making us the most improved school on this measure in the city.

In Maths and Science, MCA have exceeded national performance in key threshold measures and this was replicated in English language in 2 of the 3 threshold measures. It is important to note that these figures may continue to change until the validated data is released.

Further enhancements were made to the Academy learning areas during the year including the erection of walls in the English, Maths and Global understanding learning bases.

The Food Technology rooms have been completely renovated and the cost of this was offset by a successful £70,000 bid to the Savoy Educational Trust. This is a much-improved learning area which is ultimately safer for all staff and students.

There was also investment in our Cornerstone provision, which supports our students who have challenges with their social emotional mental health ensuring that they continue to attend school in a more nurturing environment.

In partnership with the local authority, we have increased student numbers in year 7 taking us over our Pupil Admissions Number (PAN), this has supported the city in sourcing a high quality provision for students where places are a premium. This has also drawn in additional funding from Manchester City Council.

MCPA

MCPA continues to grow in strength as both a school and a community asset. Links with local residents, and community projects with 'Winning Hearts and Minds' have become a real highlight for the school.

The school's curriculum is well sequenced and delivered, this has led to the first set of Y6s to undertake their SATs test receiving good outcomes in the context of the pandemic and start-points.

The academy's curriculum is strong, and well sequenced, with appropriate adaptations to make up for both 'lost learning' from coronavirus national lockdowns and to support children to close the gap if they fall behind.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The academy is in the process of securing the Inclusion Quality Mark, SMSC and anti-bullying awards. These awards will support our development of nurturing provision, alongside the nurturing schools' award, which is nearing completion.

The academy site has also been further developed during the year to support the educational outcomes of children. These enhancements have included provision of an outdoor classroom on the reception and Y1 playground.

Within the locality, links between schools have been strengthened through the head teacher's role in the local heads' network. This network now sees subject leaders from MCPA participating in curriculum networks across a range of subjects, sharing and learning from others' good practice.

MCPA's head teacher is responsible for co-ordinating these networks across the district network. These networks have brought opportunities to collaborate as school leaders, learn from each other and provide a potential avenue for Trust growth.

Teach North Manchester

North Manchester Initial Teacher Training Programme aims to:

1. Deliver high quality Initial Teacher Training.
2. Ensure that trainees become highly effective teachers.
3. Provide high quality teachers for the children and young people of North Manchester and Greater Manchester.
4. Provide opportunity for the collaborative improvement of learning and teaching across the partnership settings.

Round two of the ITT accreditation process has now come to a close. Bright Futures Teaching School Hub have been successful and have now been awarded accreditation. All providers who have not been re-accredited will cease to operate in September 2024 in line with the new Initial Teacher Training Criteria (2024).

By mid-June 2022, 20,888 ITT trainees had been placed on courses - a figure 13% lower than in the last pre-pandemic year of 2019. The latest ITT figures come up 36% short of the 32,600-trainee target set in June by the Department for Education.

In 2021-22, 20 trainees gained Qualified Teacher Status (QTS) across all key stages. As at September 2022, all 20 of the alumni, had commenced permanent employment within a school and secured their employment within Greater Manchester.

Social Investment and Standing in our Local Community

Our ambition is to provide the highest quality education for children and young people in the communities whom we serve. We believe passionately in the power of an excellent education to transform lives and futures and feel that we can build on our social investment activities, local knowledge, community relationships and strong partnerships to make this happen.

The Trust has a Families and Communities Department which co-ordinates and undertakes the wide range of support, provision and social investment to our students and families. These investment activities and elements of support, in addition to the provision of an excellent education, enhance and strengthen the Trust's standing in the local community of North Manchester.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

There are 4 strategic areas identified:

- Securing social change/tackling disadvantage
- Developing knowledge based policy/practice
- Capacity building
- Sustainable project development

Some of the activities based provision and some of the face to face interaction were paused due to the coronavirus pandemic. These activities have now returned face to face which has been welcomed by parents and the wider community.

The Families and Community Department run a number of programmes and initiatives within our academies and throughout our community as follows:

Family Zone - Working with parents to ensure that their children are happy, safe and successful in school but also that they experience far reaching opportunities that inspire them to make a vital contribution in the future to our community and to wider society. We remove barriers to realise opportunities for our children growing up in the Family Zone.

Community Learning - The Trust provides a range of accredited and non-accredited courses available to the community, including first aid training, English as an additional language lessons, sign language and Maths lessons. There are further enrichment activities available such as art classes, participation in board games and armchair yoga.

Once Upon a Time - A group, primarily for over-50s where people are invited to drop-in sessions to make friends, enjoy companionship, reminisce and consider printed and other group archive material. The group produces a magazine three times a year, which features materials from the archives.

Community Lettings - The Trust is home to around 40 community groups, grassroots clubs and supplementary schools who provide a series of programmes to their participants and community members.

Manchester Communication Research School

Manchester Communication Research School was re-accredited in June 2022 and will continue to be part of the Research School Network until at least 2026. The Research School Network is primarily focused on mobilising evidence and supporting engagement with evidence and evidence informed practice across the teaching profession.

The Research School's aim is to build sustained engagement with evidence from as many schools as possible but particularly focusing on those schools that have a significant proportion of their school population experiencing economic disadvantage.

The Manchester Communication Research School staffing structure currently includes a core team of a Director of Research School, an Assistant Director and a Research School Co-ordinator. The extended team includes 12 Evidence Leads in Education who support with the facilitation of programmes and wrap around support for schools.

The Research School now leads on a number of partnerships across Greater Manchester and has recently brokered new partnerships with local authorities that have not previously engaged. The areas where we will be focusing our work this year include; Manchester, Bury, Salford, Stockport and Rochdale.

Greater Manchester Academies Trust

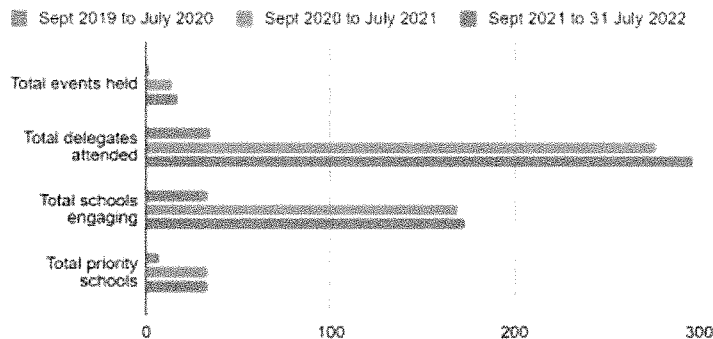
Trustees' Report for the Year Ended 31 August 2022 (continued)

The Research School also works closely with two of the Teaching School Hubs in the region; Bright Futures and STAR. Our work here involves providing training for their facilitators of the National Professional Qualifications and Early Career Framework as well as supporting their partners to develop evidence informed practice.

Below you can see the comparisons of engagement data as the Research School reach has grown and developed.

	Academic year 20 / 21	Academic year 19 / 20	Academic year 21 / 22
Events	14	2	17
Delegates	277	35	297
Schools	169	33	173
Priority Schools	33	7	33

Manchester Communication Research School - Engagement Data



The Research School Network strategy will be evolving over the next 12 months with an increased emphasis on exemplification and communication. As such, we will be developing our work in these areas with a focus on high quality articles, podcasts and sophisticated use of a range of social media platforms.

Going concern

A sustainable three-year financial plan for the period 2022 to 2025 has been prepared, reviewed, scrutinised and approved. The plan is a meticulous balance of positivity and prudence and demonstrates that the Trust is a going concern. The plan evaluates both giving the very best for our students and further stabilising the financial position.

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.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The key areas of concern and vigilance being significant utility cost increases, potentially unfunded pay rises and wider inflationary pressures. The trust is able to mitigate these through surplus reserves for the next twelve months, but recognise that longer term viability may be impacted if the issues sustain for an on-going basis.

As such, at the time of approving the annual report and financial statements, the trustees have a firm expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

During 2022-23 the Trust's Finance Team will continue to further a good culture of finance and cash awareness, of sensible procurement and of wider best consideration of public funds.

Financial review

The significant majority of the Trust's income in 2021-2022 (93%) is received from central government and local government revenue grants, which include the main ESFA General Annual Grant allocations, Pupil Premium funding and local authority funding.

The Trust received income for the National Tutoring Programme which allowed for before and after school provision of catch up supporting pupils most impacted by the Pandemic.

The remaining income was generated through the Manchester Communication Research School, through other grants and through the Trust's lettings portfolio (dance studio, football pitches and sports hall). Income was also generated through catering, the surplus generated from this is to be reinvested to allow for better value for money in relation to food, consumables and catering compliance costs; has better control over the menus in the academies; and can better synergise the catering teams with teaching departments as a way of promoting healthy eating, better nutrition and using food as a catalyst for positive change.

The Trust has maintained its standing in the local community post the coronavirus pandemic, and its Families and Communities Department led on offering primarily pastoral and solicitous support, but also some financial support, where necessary, to those members of our community most in need. This included building partnership with housing organisations to identify housing needs and house families, to date 50 families are being supported.

At the start of the academic year Cash in the bank as at 31 August 2022 was £2.735m, up from £0.757m twelve months earlier.

A summary of the financial performance for the year ended 31 August 2022 can be found in the Statement Of Financial Activities (on Page 33) and in the Balance Sheet (on Page 35).

Capital Expenditure

The Trust has incurred capital expenditure of £635k in 2021-22, this is an investment of £396k in additions of capital expenditure from 2020-21. The principal capital additions applied during the year were £256k on investment of Laptops for MCA and MCPA pupils. These laptops were previously on lease; it was agreed purchasing of the assets was cost effective to the Trust. MCA was successful in securing funding from The Savoy Education Trust of £68k to upgrade the Food Technology rooms, total spend calculated to £110k. £81k investment into GMAT servers and switches to support the Trust IT strategy. £40k was invested on LED lighting supporting The trust vision for sustainability. £37k invested into capital works for finalising of works on The Beehive - Trust new learning resource. MCA undertook reconstruction works on the Science Labs totalling £38k. MCA canteen had investments

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

of £13k for a new servery area to support the Trust vision of nutritional meals and in house catering needs. Reminder was various remedial work across MCA and MCPA.

Of the £635k capital additions, £68k was funded via The Savoy Educational Trust, £32k was funded by the ESFA Devolved Formula Capital Grant The remainder was funded via Trust reserves.

The levels of capital expenditure will continue to be carefully monitored by the Trust moving forward, and the refined comprehensive asset management plan will help effectively monitor capital expenditure over the short, medium and longer terms.

Depreciation

The Trust's total depreciation charge for the year is £907k (up from £50k in 2020-21). Of this total depreciation charge, £719k is in respect of land and buildings, £112k in respect of furniture, fixtures and fittings, £75k in IT investments and zero in respect of owned vehicles. These assets are maintained, as far as is possible, in an 'as new' condition, with an annual programme of planned & preventative maintenance (PPM) for both academies, and reactive maintenance budgets for ensuring the upkeep of the built fabric of each site.

ICT depreciation for the year is £75k (up from £61k in 2020-21) and this reflects the effects of both the in-year additions, and reduction in value of the Trust's existing ICT hardware & infrastructure.

Pension liabilities

Trust staff are placed in one of two pension schemes: teaching staff are in the Teachers' Pension Scheme (TPS), and non-teaching staff are in the Local Government Pension Scheme (LGPS). The TPS is 'unfunded', and so no liability as such is reflected in Trust Accounts. The actual rate for TPS employer contributions is currently 23.68%

The LGPS is 'funded' - so each year, the value of the fund and the liabilities to be met from it are assessed, and the change in these factors is reflected in the accounts of bodies who have staff in the fund. The increase in this liability is due to a wide range of macro-level external factors, affecting the financial environment & assumptions about future performance. Managing the Pension Fund so that assets and liabilities match up in the longer term is a role undertaken by fund managers; periodically, contribution rates are amended to ensure the fund continues to be viable.

The LGPS liability is considered in the overall reserves of the Trust:

Restricted and Unrestricted General Fund: £2.872m

Restricted Capital Fund: £28.563m

Restricted Pension Fund: £1.193m

The LGPS in which GMAT's non-teaching staff are placed is the Greater Manchester Pension Fund (GMPF).

The current actual rate for GMPF employer contributions is 18.5% for GMAT and this rate is in place until March 2023 after which the next triennial period commences. Whilst MCA and MCPA receive individual actuarial reports each year, the numbers shown in these are notional and do not necessarily drive the actual cash contributions required from the Trust in respect of GMPF employer contributions.

GMAT is placed in a pool of employers known as the 'Manchester City Council Pool'. There are over 100 employers in this pool, and the GMPF employer contribution rate is 18.5% for all in this pool for the period April 2020 to March 2023.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Financial and risk management objectives and policies

Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the major risks to which the Trust is exposed.

During the year, the Trust continued to review its Risk register and mitigate the likelihood of the outlined risks. All staff and governors continue to have a good understanding of their day to day responsibilities in managing risk. In tandem with the Risk Strategy the Risk Register continues to be reviewed and updated regularly to factor in national and local changes which may impact the Trust.

The ongoing review and scrutiny of risks has allowed stakeholders to:

- Develop a common understanding of risk across multiple functions and academies so the Trust can manage risk cost-effectively on a trust-wide basis.
- Achieve a better understanding of risk for competitive advantage.
- Build safeguards against the Trust – Financially and non-Financially.
- Build and improve capabilities to respond effectively to low probability, critical, catastrophic risks.
- Achieve cost savings through better management of internal resources.
- Allocate capital more efficiently.

The Trust has implemented a 'three lines of defence' model to help with the management of risk. The 'three lines of defence' are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

- 1) The first 'line of defence' consists of all staff, governors and trustees.
- 2) The 'second line of defence' consists of all Senior Leadership Team, Finance and Audit Committee colleagues, Executive Principal and the Trust Board.

Managers should not only ensure that their staff are aware of their operational risks and that their staff perform the controls expected of them in their day to day activities, but should also apply cross-department challenge in terms of risk and control.

The Executive Principal, Trust Board and its sub-committees shall apply rigorously challenge and independent quality assurance regarding risk management. They shall ensure that staff are performing the controls expected of them, that managers are ensuring their staff are risk aware, and that managers are applying appropriate challenge.

- 3) The 'third line of defence' consists of auditors (internal and external), regulators (such as ESFA and Ofsted) and other relevant third party assurances.

Whilst the Trust does not control the scope and remit of auditors and regulators, it is accepted that these bodies provide definitive, useful and comprehensive assurance which is substantial enough to be classified as a line of defence for the Trust with regards to risk management.

The extensive degree of independence provided by these bodies, is not available in the second line of defence, so it is justifiable for them to be included in the Trust's third line of defence.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Whilst in the 'second line of defence' in terms of assurance, the Trust Board is accountable for the management of risk throughout the Trust.

The Trust has identified the following risk types - thematic categories into which our risks are classified.

- **People Risk** - does the Trust appropriate develop and look after its staff and does the staff appropriate plan for succession within leadership, teaching and non-teaching positions?
- **Finance Risk** - is the Trust in a good financial position with a suitable level of cash reserves and is the Trust able to substantiate its decision making with complete, accurate and timely management reporting?
- **Governance Risk** - is the governance structure of the Trust fit for purpose?
- **Operational Risk** - are our students given everything they need within the academies to be able to achieve the best standards they possibly can?
- **ICT Risk** - does the Trust have an ICT and telephony network that is fit for purpose and which can withstand stresses?
- **Compliance Risk** - does the Trust have an ICT and telephony network that is fit for purpose and which can withstand stresses?
- **Environmental & External Factors Risk** - does the Trust properly inspire and deliver positive changes for all within the community it serves?
- **Facilities Risk** - does the Trust properly protect, secure and maintain its land, buildings and wider asset base?

These classifications are present on the Trust's Risk Register, which holds all identified risks. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Each risk type has an 'owner' who is a senior Trust leader. Policies and procedures have been developed against each to manage risk, and the risk register is reviewed periodically by the Board to identify areas where further measures may be needed.

The processes in place to identify, log, classify and manage risk are reviewed annually or where there have been material changes to the relevant courses of business. The Trust's Risk Register is also reviewed and approved either annually, or where there have been material changes to the relevant courses of business.

Reserves policy

The Trust's Reserves Policy has been scrutinised by the Finance and Audit Committee and has been approved by the Trustees. The principal objective of the Policy is to protect our learners, our staff, trustees and governors, and our assets.

The Policy has other objectives as follows:

- 1) to develop sufficient capital and revenue reserves to fund future projects.
- 2) to have a prudent level of resources available to meet unforeseen contingencies. Very often, the effects of an unplanned event can be managed in the long-term, but the Trust needs reserves in the meantime.
- 3) to further stabilise the Trust's finances and continue the improvement of the Trust's reserves levels.
- 4) to maintain a focus on pure cash reserves
- 5) to be utilised alongside the Trust's Banking and Investments Policy
- 6) to be utilised alongside the Trust's long-term asset management plan.
- 7) to contribute to the culture of good financial control, cash management and value for money, which are communicated and embedded across the Trust and its academies.
- 8) to ensure that the Trust is compliant with the requirements of the Academy Trust Financial Handbook.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

The maintenance and improvement of the Trust's reserves is focused primarily on cash in the bank, but also on accounting reserves balances. The Trustees have short term and longer term plans for the maintenance and improvement of these reserves.

For the academic year 2021-22:

- the Trust must hold at least £1,250,000 across all of its bank accounts at any given point in time.
- at each month end date, the Trust must hold the equivalent of at least one and a half month's payroll costs.
- the Trust will allocate a further £250,000 per year towards funding its asset management plan.
- the Trust may open and utilise a deposit account, a cash management platform, or an appropriate call account, in accordance with its Banking and Investments Policy, to increase the return on its increasing reserve levels held. The order of priorities with any such investment must be: a) security; b) liquidity, and; c) return.

The Trustees acknowledge that the level of reserves for the charitable company may change during the year and could either be a good indicator of the underlying financial health of the Trust, or could be an indicator of potential problems.

In the longer term, the Trustees have reserves targets which are a balance between prudence and positivity. These targets will be reviewed and amended as appropriate over the next two years.

The Trustees will also look to extend the reporting of reserves, particularly cash balances, to consider academy and institute level reserves.

The mechanics of reporting academy and institute level reserves will be further discussed and worked upon at Local Governing Body level and escalated to Trustees, as appropriate.

Current reserves are under the ESFA threshold of 20%

Investment policy

The Trust's bank balances must be checked at least twice daily: at the start of each working day, and also once more during the working day. Cash position and cash flow is reported by the Finance Team to the Executive Principal in writing at least once a week.

The Trust must not use any other financial institute without of the agreement of the Trustees. The Trust must not arrange an overdraft facility or undertake borrowing without prior written approval from the ESFA.

If the cash reserves levels rise significantly faster than expected during the year, the Trustees may decide to invest externally. The consideration and potential decision must be added to an agenda item at the next meeting of the Board of Trustees.

For the said agenda item, The Trustees must consider and have minuted:

- the amount to be invested and for how long.
- whether a potential investment gives security of investment (includes looking at counterparty credit ratings).
- how quickly the capital invested can be converted to cash at any given point in time.
- what the return on investment is.
- whether the performance of a potential investment can be reliably measured.
- whether a diversification of investment is preferred.
- whether there is potential to be adversely impacted by currency, interest rate or other market fluctuations.
- whether there are any material brokerage costs.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

- whether there are any ethical considerations.
- whether there are any reporting or other contractual requirements as a result of investment.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

The Trust is grateful to the following other funders who have supported us by way of restricted grants during the academic year:

- Manchester City Council
- The Football Foundation
- Collyhurst Big Local (articulated in Note 13 of the notes to the accounts)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period

	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy consumption used to calculate emissions (kWh)	1,699,181	1,780,196
Scope 1 emissions in metric tonnes CO₂e		
Owned transport - mini-buses	1.59	0.54
Gas consumption	179.85	218.86
Total scope 1	181.44	219.40
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	136.33	124.28
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee owned vehicles	0.60	0.02
Total gross emissions in metric tonnes CO₂e	318.37	343.70
Intensity ratio		
Tonnes CO ₂ e per pupil	0.19	0.22

Quantification and Reporting Methodology:

The Trust has followed the published Streamlined Energy and Carbon Reporting (SECR) for academy trusts guidance. The Trust has used the GHG Reporting Protocol – Corporate Standard and has used the 2022 UK Government Conversion Factors for Company Reporting.

Scope 1 - Includes emissions from activities owned or controlled by the academy trust that release emissions into the atmosphere. Examples include emissions from combustion in owned or controlled boilers, vehicles.

Scope 2- Includes emissions from own consumption of purchased electricity, heat, steam and cooling. These are a consequence of the academy trust's activities but are from sources not owned/controlled.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Scope 3- Emissions that are as a consequence of the academy trust's actions, but the source is not owned or controlled, and which are not classed as scope 2 emissions. This includes emissions from business travel in rental or employee-owned vehicles where the academy trust is responsible for purchasing the fuel.

Intensity measurement

The Trust has chosen its intensity ratio to be the total gross emissions in metric tonnes CO₂e per student / pupil in academic year 2021- 2022. This is the recommended ratio to use for the Education sector.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on and signed on its behalf by:

Sarah Walker
Sarah Walker (Dec 15, 2021 10:44 GMT)

.....
Mrs S Walker (Chair)
Trustee

John Rowlands
John Rowlands (Dec 14, 2021 11:35 GMT)

.....
Mr J Rowlands (Executive Principal and Accounting Officer)
Trustee

Greater Manchester Academies Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Greater Manchester Academies Trust has an effective and appropriate set of financial, operational and other controls. Our system is designed to mitigate and manage, rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The Board of Trustees has delegated the day-to-day responsibility to Mr J Rowlands (Executive Principal) , as the 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 Greater Manchester Academies Trust and the Secretary of State for Education.

The Executive Principal, academy local governing bodies, North Manchester Initial Teacher Training Strategic Committee and Finance and Audit Committee are responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

In 2021-22, three new sub-committees, Pay and Personnel Committee, Families and Communities Committee and Growth and Partnerships Committee will also report to the board of trustees.

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. Due to the coronavirus pandemic, 6 out of the 7 meetings were conducted using video conference software, and the remaining one meeting was a hybrid of attendance via video link.

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

Trustee	Meetings attended	Out of a possible
Mrs S Walker (Chair)	5	7
Mrs D Barrow (Vice Chair)	4	7
Mr H Ngawoofah	7	7
Ms C Brett	6	7
Ms T Said	5	7
Mr J Rowlands (Executive Principal and Accounting Officer)	7	7
Mrs H Vaughan (resigned 31 August 2022)	6	7
Mrs H Slinger (resigned 31 August 2022)	2	7

Greater Manchester Academies Trust

Governance Statement (continued)

Two new trustees, C Brett and T Said were appointed with their trusteeships commencing on 1 September 2021. S Walker was appointed as the new Chair of Trustees and D Barrow was appointed as the new Vice Chair of Trustees.

The Trust Board seeks to receive & review key performance data for each of the key components of the Trust; to ensure that key deliverables (audited accounts; cash management; budgets; and effective management reporting) are delivered to schedule; and secure and safeguard the Trust's future by reviewing key risks & actions required to address them.

Conflicts of interest

The Governance and Compliance Professional ensures that all Members, Trustees and Governors declare their business interests and close family relationships on an annual basis, or where there have been changes during the academic year. The interests are collected via email and stored in a secure folder. These documents are used to create a Register of Business Interests for the Trust and its schools and are published on the relevant websites. The Register of Business Interests is reviewed regularly.

The Trust-wide Scheme of Delegation is reviewed and approved annually by the Board of Trustees. To ensure the Trust operates effectively, the Trust Board have resolved to establish delegated functions to the following Committees:

- Finance and Audit Committee
- Pay and Personnel Committee
- Growth and Partnership Committee
- Families and Communities Committee
- Local Governing Body for each Trust academy.

The Terms of Reference for the above listed Committees are reviewed on an annual basis.

Finance and Audit Committee

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide advice and guidance to the main Board on all financial matters, to lead on liaison with Internal and External Audit, to scrutinise risk management, to ensure compliance with the Academy Trust Handbook and to scrutinise Value For Money and propriety in the Trust's financial processes & procedures.

The Finance and Audit Committee oversees and approves the Trust's internal audit book of work, ensures that risks are being addressed appropriately through internal scrutiny and reports to the Trust Board on the adequacy of the trust's internal control framework.

The Finance and Audit Committee has formally met four times during this period. Due to the coronavirus pandemic, all sessions of Finance and Audit Committee during the year were conducted using video conferencing software.

Attendance at meetings during the year was as follows:

Greater Manchester Academies Trust

Governance Statement (continued)

Finance and Committee Member	Meetings attended	Out of a possible
Mrs H Vaughan (resigned 31 August 2022)	4	4
Mrs D Barrow (Vice Chair)	4	4
Ms C Brett	4	4
Mr J Rowlands (Executive Principal and Accounting Officer)	2	4

Also in attendance at the Finance and Audit Committee were two co-opted members G Johnson and A Jubb, their attendance was 2/4 and 3/4 respectively.

Review of value for money

The Executive Principal, as Accounting Officer has responsibility for ensuring that the Trust delivers as best value as it can in the use of public resources. The Executive Principal understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

It is further considered how the Trust's use of its resources has provided best value for money during each academic year. The Executive Principal reports to the board of trustees detailing where value for money can be improved.

During the academic year the Trust demonstrated achieving best value for money by:

- taking the decision to bring the provision of catering services and school meals in-house, thus giving greater control over procurement and catering operations, and contributing to better synergising functions across the academies
- promoting the Trust's lettings portfolio, which comprises of a hybrid of community and commercial bookings for a wide range of sports, activities, meetings and sessions, as a means of generating income as well as enhancing the opportunities available to our community
- investing time resource into producing an enhanced, comprehensive Trust-wide asset management plan which has all capital and revenue possessions (not consumables) tagged in a database, which is fully costed, which is fully funded and which has anticipated replacement dates for all assets contained within the plan
- continuous improvement of financial reporting, an enhancement of information presented to members, trustees and governors and further embedding a culture of cash awareness and sound financial control throughout the Trust
- refining and improving its financial controls and procurement procedures by introducing a new, comprehensive Financial Controls Policy and Procurement Policy
- investing in Central Services staff, Trust HR Manager and Trust Data Manager. Brining services, expertise and support in house
- obtaining funding to continue community provision for holiday clubs
- utilising Trust staff to support the National Tutoring Programme, supporting over 100 pupils improve on Core related subjects

The Trustees are pleased with the progress made in achieving best value for money, and strive to improve further in this regard over the next academic year.

Greater Manchester Academies Trust

Governance Statement (continued)

The purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing 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 Greater Manchester Academies Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

The Trust has a comprehensive risk management strategy and detailed risk register which has been further refined and scrutinised during 2021-22. Details of the Trust's risk management strategy are articulated in the Trustees' Report. The risk register is a standing agenda item at the majority of Finance and Audit Committee meetings and the risk management strategy and risk register are approved by the Trust Board when there have been material changes to the relevant courses of business, but as a minimum, annually.

The 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.
- comprehensive scrutiny of cash flow management and liquidity.
- regular reviews by the finance and audit committee of reports which substantiate financial position (in particular cash); observe financial performance against the budgets; and of major purchase plans, capital works and other programmes of expenditure.
- setting targets to measure financial, operational and other performance.
- delegation of authority and segregation of duties.
- identification and management of risks.
- clearly defined purchasing, procurement and expenditure guidelines.

Risk management formed a significant part of the Trust's internal audit book of work during 2022 which is fully detailed in the below paragraphs.

Internal Audit

The board of trustees appointed internal auditors for internal scrutiny and assurance during the academic year, as follows:

- Haines Watts - to provide assurance on the general compliance with the requirements of the Academy Trust Handbook.

Greater Manchester Academies Trust

Governance Statement (continued)

The role of the internal auditors is to review the Trust's systems, processes and procedures; to report on their schedules of work to the Finance and Audit Committee; and to provide details of any material control issues arising as a result of their work and, if relevant, to describe what remedial action is being taken to rectify the issues. The Trust's risk register is a key driver of the internal audit book of work.

Low recommendations were made by the internal auditors as a result of their assurance work. These recommendations were added as action points (with action owners and action due dates) to the Trust's comprehensive master audit action tracker, which is managed by the Finance and Audit Committee.

None of the recommendations made by internal auditors during the year amounted to material control issues.

Review of Effectiveness

The Executive Principal, as Accounting Officer, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal audit function ;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the senior and wider leadership teams within the trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Finance and Audit Committee and a plan to ensure continuous improvement of the system is in place.

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

Sarah Walker

Sarah Walker (Sec 15, 2022 10:04 GMT)

.....
Mrs S Walker (Chair)
Trustee

John Rowlands

John Rowlands (Sec 14, 2022 11:39 GMT)

.....
Mr J Rowlands
Executive Principal

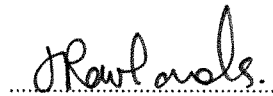
Greater Manchester Academies Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Greater Manchester Academies Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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



Mr J Rowlands, (Executive Principal)
Accounting Officer

Date: 14-12-22

Greater Manchester Academies Trust

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Greater Manchester Academies Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

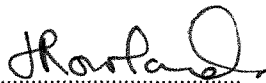
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 14.12.22 and signed on its behalf by:



.....
Mr J Rowlands (Executive Principal and Accounting Officer)
Trustee

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust

Opinion

We have audited the financial statements of Greater Manchester Academies Trust "the academy trust" for the year ended 31 August 2022, which comprise the Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account), Balance Sheet as at 31 August 2022, Statement of Cash Flows for the year ended 31 August 2022, and Notes to the Financial Statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 financial statements and our auditor's report thereon. The trustees (who are also the directors of the academy for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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:

- In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 29, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

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

To assist with identifying and assessing risks associated with material misstatements, including fraud and noncompliance of laws and regulations, we carried out the following procedures;

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy trust through discussion with governors and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2021 to 2022 and Academies Trust Handbook 2021, both issued by the Education and Skills Funding Agency

we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances on non-compliance throughout the audit.

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

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

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

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

Use of our report

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

Beever and Struthers

.....
Sue Hutchinson FCCA (Senior Statutory Auditor)
For and on behalf of
Beever and Struthers,

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 15/12/2022.....

Greater Manchester Academies Trust

Independent Reporting Accountant's Assurance Report on Regularity to Greater Manchester Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Greater Manchester Academies Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 13 March 2009 and the Academy Trust Handbook extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

Greater Manchester Academies Trust

Independent Reporting Accountant's Assurance Report on Regularity to Greater Manchester Academies Trust and the Education and Skills Funding Agency (continued)

Conclusion

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

Beever and Struthers

.....
Sue Hutchinson FCCA

For and on behalf of Beever and Struthers, Chartered Accountants

One Express
1 George Leigh Street
Manchester
M4 5DL

Date:.....15/12/2022.....

Greater Manchester Academies Trust

**Statement of Financial Activities for the Year Ended 31 August 2022
(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
Income and endowments from:					
Donations and capital grants	2	51,868	-	100,704	152,572
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	14,711	12,569,584	-	12,584,295
Teaching schools		-	253,250	-	253,250
Other trading activities	4	309,135	66,343	-	375,478
Total		375,714	12,889,177	100,704	13,365,595
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	12,986,267	908,503	13,894,770
Teaching schools		-	96,291	-	96,291
Net income/(expenditure)		375,714	(193,381)	(807,799)	(625,466)
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	6,439,000	-	6,439,000
Net movement in funds/(deficit)		375,714	6,245,619	(807,799)	5,813,534
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		351,784	(4,126,894)	29,370,532	25,595,422
Total funds carried forward at 31 August 2022		727,498	2,118,725	28,562,733	31,408,956

Greater Manchester Academies Trust

**Statement of Financial Activities for the Year Ended 31 August 2021
(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	7,597	-	93,759	101,356
Other trading activities	4	134,187	-	-	134,187
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	12,330,373	-	12,330,373
Teaching schools		-	327,095	-	327,095
Apprenticeship levy funded training		-	38,362	-	38,362
Total		<u>141,784</u>	<u>12,695,830</u>	<u>93,759</u>	<u>12,931,373</u>
Expenditure on:					
Raising funds	5	-	35,593	-	35,593
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	11,695,003	861,397	12,556,400
Teaching schools		-	320,736	-	320,736
Apprenticeship levy funded training	6	-	38,362	-	38,362
Total		<u>-</u>	<u>12,089,694</u>	<u>861,397</u>	<u>12,951,091</u>
Net income/(expenditure)		141,784	606,136	(767,638)	(19,718)
Transfers between funds		-	(119,000)	119,000	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	(1,467,000)	-	(1,467,000)
Net movement in funds/(deficit)		141,784	(979,864)	(648,638)	(1,486,718)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>210,000</u>	<u>(3,147,028)</u>	<u>30,019,170</u>	<u>27,082,142</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>351,784</u>	<u>(4,126,892)</u>	<u>29,370,532</u>	<u>25,595,424</u>

Greater Manchester Academies Trust

**(Registration number: 06754335)
Balance Sheet as at 31 August 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	29,098,263	29,370,323
Current assets			
Debtors	12	483,336	570,323
Cash at bank and in hand		<u>2,735,868</u>	<u>1,978,170</u>
		3,219,204	2,548,493
Liabilities			
Creditors: Amounts falling due within one year	13	<u>(908,511)</u>	<u>(789,392)</u>
Net current assets		<u>2,310,693</u>	<u>1,759,101</u>
Total assets less current liabilities		<u>31,408,956</u>	<u>31,129,424</u>
Net assets excluding pension liability		31,408,956	31,129,424
Defined benefit pension scheme liability	23	<u>-</u>	<u>(5,534,000)</u>
Total net assets including pension liability		<u><u>31,408,956</u></u>	<u><u>25,595,424</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		2,118,726	1,407,106
Restricted fixed asset fund		28,562,732	29,370,534
Restricted pension fund		<u>-</u>	<u>(5,534,000)</u>
		30,681,458	25,243,640
Unrestricted funds			
Unrestricted general fund		<u>727,498</u>	<u>351,784</u>
Total funds		<u><u>31,408,956</u></u>	<u><u>25,595,424</u></u>

Greater Manchester Academies Trust
(Registration number: 06754335)
Balance Sheet as at 31 August 2022 (continued)

The financial statements on pages 37 to 68 were approved by the Trustees, and authorised for issue on
and signed on their behalf by:

Sarah Walker
Sarah Walker (Dtr: 15. 2022 10:34:08T)

.....
Mrs S Walker
Trustee

John Rowlands
John Rowlands (Sec 14. 2022 11:25:16T)

.....
Mr J Rowlands
Executive Principal

Greater Manchester Academies Trust

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	17	1,292,437	1,350,880
Cash flows from investing activities	18	<u>(534,739)</u>	<u>(145,339)</u>
Change in cash and cash equivalents in the year		757,698	1,205,541
Cash and cash equivalents at 1 September		<u>1,978,170</u>	<u>772,629</u>
Cash and cash equivalents at 31 August	19	<u><u>2,735,868</u></u>	<u><u>1,978,170</u></u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future. The financial performance reviewed in these statements do not give rise to concern about the continuing operation of the Trust.

The three-year budget projection for the Trust, based on the actions agreed at the Trust Board, demonstrates that the Trust is a going concern. In summary, after making appropriate enquiries, the Trust Board 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 Trustees' Annual Report on Pages 4-15.

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.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Grants

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

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

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

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.

Expenditure

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

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.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £2,000 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Asset class	Depreciation method and rate
L/Term Leasehold Property	50 Years
S/Term additions to leasehold buildings	8 Years
Motor Vehicles	4 Years
Fixtures & Fittings	4 Years
Computer equipment	3 Years

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.

Provisions

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

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

Leased assets

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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

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

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

In accordance with FRS102 Section 28, defined benefit pension scheme assets are only recognised when their occurrence results in reduction in the future contribution rate after agreement with the scheme actuary.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Critical accounting estimates and areas of judgement

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.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31/08/22. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Government grants	-	100,704	100,704	93,759
Other donations	51,868	-	51,868	7,597
	<u>51,868</u>	<u>100,704</u>	<u>152,572</u>	<u>101,356</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	10,374,276	10,374,276	9,642,000
Pupil Premium	-	1,002,752	1,002,752	939,000
Other DfE/ESFA grants	-	439,528	439,528	236,000
PE & Sports Grant	-	19,250	19,250	19,000
Insurance	-	-	-	4,000
Teachers' Pay Grant	-	1,920	1,920	102,000
Teachers' Pension Grant	-	5,425	5,425	319,000
UIFSM	-	47,252	47,252	-
	<u>-</u>	<u>11,890,403</u>	<u>11,890,403</u>	<u>11,261,000</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations (continued)

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Other government grants				
SEN from Local Authority	-	364,710	364,710	299,000
Other government grants	14,711	148,787	163,498	219,000
Music Tuition grant	-	11,518	11,518	11,000
	<u>14,711</u>	<u>525,015</u>	<u>539,726</u>	<u>529,000</u>
Non-government grants and other income				
Once Upon A Time	-	-	-	3,000
Other	-	-	-	26,000
Education Endowment Foundation	-	116,582	116,582	74,000
Teach First	-	-	-	5,000
STEM	-	3,200	3,200	2,000
The Wolfson Foundation	-	-	-	11,000
YMCA	-	-	-	1,000
UKIE	-	-	-	3,000
Opening Schools Facilities Fund	-	-	-	3,000
Thrive - Young Manchester	-	-	-	13,000
Teaching School	-	253,250	253,250	-
	<u>-</u>	<u>373,032</u>	<u>373,032</u>	<u>141,000</u>
Exceptional government funding				
Exceptional Coronavirus Funding	-	34,384	34,384	400,000
Total grants	<u>14,711</u>	<u>12,822,834</u>	<u>12,837,545</u>	<u>12,331,000</u>

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	153,120	-	153,120	85,943
Catering income	143,221	-	143,221	42,139
Uniform sales	1,198	-	1,198	175
Other income	11,596	66,343	77,939	5,930
	<u>309,135</u>	<u>66,343</u>	<u>375,478</u>	<u>134,187</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

5 Expenditure

	Non Pay Expenditure			2021/22 Total £	2020/21 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Allocated support costs	-	-	-	-	35,593
Academy's educational operations					
Direct costs	6,886,800	648,618	934,498	8,469,916	8,081,815
Allocated support costs	3,554,695	728,732	1,141,427	5,424,854	4,474,585
Teaching School					
Allocated support costs	-	-	96,291	96,291	320,736
Apprenticeship levy funded training					
Allocated support costs	-	-	-	-	38,362
	<u>10,441,495</u>	<u>1,377,350</u>	<u>2,172,216</u>	<u>13,991,061</u>	<u>12,951,091</u>

Net income/(expenditure) for the year includes:

	2021/22 £	2020/21 £
Operating lease rentals	49,514	214,000
Depreciation	907,503	857,000
Fees payable to auditor - audit	13,280	13,000
- other audit services	4,970	6,000
	<u>975,267</u>	<u>1,090,000</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

6 Charitable activities

		Total 2022 £	Total 2021 £
Direct costs - educational operations		8,469,916	8,081,815
Support costs - educational operations		5,424,854	4,474,585
Support costs - teaching school		96,291	320,736
		13,991,061	12,877,136
	Teaching School £	Educational operations £	Total 2022 £
			Total 2021 £
Analysis of support costs			
Support staff costs	-	3,554,695	2,724,286
Depreciation	-	258,885	77,124
Technology costs	-	71,706	124,297
Premises costs	-	469,847	432,176
Other support costs	96,291	1,050,521	1,410,421
Governance costs	-	19,200	27,017
Total support costs	96,291	5,424,854	4,795,321

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Staff

Staff costs

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	7,376,000	6,745,000
Social security costs	723,000	666,000
Operating costs of defined benefit pension schemes	<u>2,216,000</u>	<u>1,784,000</u>
	10,315,000	9,195,000
Supply staff costs	126,000	9,000
Staff restructuring costs	<u>-</u>	<u>12,000</u>
	<u>10,441,000</u>	<u>9,216,000</u>
		2021
		£
Staff restructuring costs comprise:		
Redundancy payments		3,000
Severance payments		<u>9,000</u>
		<u>12,000</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Staff (continued)

Staff numbers

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

	2021/22	2020/21
	No	No
Teachers	107	128
Support Staff	141	124
SLT	19	-
	<u>267</u>	<u>252</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2022	2021
	No	No
£60,001 - £70,000	4	5
£70,001 - £80,000	3	4
£80,001 - £90,000	-	1
£100,001 - £110,000	1	1
	<u>1</u>	<u>1</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 £600,302 (2021: £579,150).

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Shared services

The Trust provides a number of centralised functions and delivers a number of centralised services, known collectively to MCA, MCPA and NMITTP as the Shared Services. During the academic year these provisions and deliverables covered:

- Leadership
- Finance
- Governance
- Payroll
- Human Resources
- Site Management
- Web and Media Support
- ICT Systems, Software and Support
- Safeguarding
- Community & Mission
- Other Costs

During the year the trust charged MCA, MCPA and NMITTP for shared services on the basis of an assented Service Level Agreement (SLA). Costs of the Shared Services are reported to Academy Local Governing Bodies and to the NMITTP Strategic Management Committee.

The actual annual amounts charged were as follows:

	2022
	£
Manchester Communication Academy	976,787
Manchester Communication Primary Academy	217,000
Teach North Manchester	13,181
	<u>1,206,968</u>

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The Executive Principal only receives 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 role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mr J Rowlands (Executive Principal and Accounting Officer) :

Remuneration: £100,000 - £105,000 (2021 - £100,000 - £105,000)

Employer's pension contributions: £20,000 - £25,000 (2021 - £20,000 - £25,000)

Other related party transactions involving the trustees are set out in note 22.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

10 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 business, and provides cover up to £10,000,000. The cost for the period ended 31 August 2022 was £30,552 (2021: £28,818). The cost of this insurance is included in the total insurance cost.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2021	35,874,651	2,214,032	2,668,177	32,050	40,788,910
Additions	<u>9,800</u>	<u>256,618</u>	<u>369,025</u>	<u>-</u>	<u>635,443</u>
At 31 August 2022	<u>35,884,451</u>	<u>2,470,650</u>	<u>3,037,202</u>	<u>32,050</u>	<u>41,424,353</u>
Depreciation					
At 1 September 2021	6,788,507	2,030,601	2,567,429	32,050	11,418,587
Charge for the year	<u>719,807</u>	<u>112,320</u>	<u>75,376</u>	<u>-</u>	<u>907,503</u>
At 31 August 2022	<u>7,508,314</u>	<u>2,142,921</u>	<u>2,642,805</u>	<u>32,050</u>	<u>12,326,090</u>
Net book value					
At 31 August 2022	<u>28,376,137</u>	<u>327,729</u>	<u>394,397</u>	<u>-</u>	<u>29,098,263</u>
At 31 August 2021	<u>29,086,144</u>	<u>183,431</u>	<u>100,748</u>	<u>-</u>	<u>29,370,323</u>

12 Debtors

	2022 £	2021 £
Trade debtors	59,902	15,347
VAT recoverable	128,480	43,758
Prepayments	173,384	313,685
Accrued grant and other income	102,253	197,533
Amounts owed in relation to MCPA	<u>19,317</u>	<u>-</u>
	<u>483,336</u>	<u>570,323</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	259,692	290,549
Other taxation and social security	185,811	185,060
Other creditors	18,299	46,706
Accruals	39,151	67,138
Deferred income	237,564	33,653
Pension scheme creditor	167,994	166,286
	908,511	789,392
	2022	2021
	£	£

Deferred income

Deferred income at 1 September 2021	33,653	44,000
Resources deferred in the period	237,564	33,653
Amounts released from previous periods	(33,653)	(44,000)
Deferred income at 31 August 2022	237,564	33,653

At the balance sheet date the academy trust was holding funds received in advance for business rates (£28k) and grant income (£192k).

Collyhurst Big Local

The Trust collaborates with the Collyhurst Big Local - a partnership of local stakeholders in the M40 postcode area of Manchester. Collyhurst Big Local aims to make lasting and positive differences to this area by way of bringing together local talent, ambitions, skills and energy from individuals, groups and organisations. The Collyhurst Big Local Partnership receives grant funding from the National Lottery Community Fund.

The Trust has been a guardian of the Fund since 2014. It receives the funding from Big Local Trust (part of the National Lottery Community Fund), and facilitates local organisations drawing down this funding as and when approved by the Collyhurst Big Local Partnership.

The Trust's other creditors balance as at the year end date, represents the funds held by the Trust on behalf of Collyhurst Big Local. The Trust's reporting period is different to the Collyhurst Big local's reporting period. The income and expenditure in relation to Collyhurst Big Local have is not shown in the Statement of Financial Activities. Instead, the Collyhurst Big Local net income for the year is shown as a movement in the funds held by the Trust on behalf of Collyhurst Big Local.

The Trust is not; however, a custodian Trustee of the Collyhurst Big Local.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
GAG	973,106	10,374,276	(9,534,615)	-	1,812,767
Pupil Premium	-	1,002,752	(1,002,752)	-	-
Other DfE/ESFA grants	223,000	532,124	(755,124)	-	-
Teachers' Pay Grant	-	1,920	(1,920)	-	-
Teachers Pension Grant	-	5,425	(5,425)	-	-
Other income	62,000	653,088	(715,088)	-	-
Teaching School	149,000	253,250	(96,291)	-	305,959
Other Trading	-	66,343	(66,343)	-	-
	<u>1,407,106</u>	<u>12,889,178</u>	<u>(12,177,558)</u>	-	<u>2,118,726</u>
Restricted pension funds					
Pension reserve	<u>(5,534,000)</u>	-	<u>(905,000)</u>	<u>6,439,000</u>	-
Total restricted general funds	<u>(4,126,894)</u>	<u>12,889,178</u>	<u>(13,082,558)</u>	<u>6,439,000</u>	<u>2,118,726</u>
Restricted fixed asset funds					
Restricted fixed asset funds	<u>29,370,532</u>	<u>100,703</u>	<u>(908,503)</u>	-	<u>28,562,732</u>
Total restricted funds	25,243,638	12,989,881	(13,991,061)	6,439,000	30,681,458
Unrestricted funds					
Unrestricted general funds	<u>351,784</u>	<u>375,714</u>	-	-	<u>727,498</u>
Total funds	<u>25,595,422</u>	<u>13,365,595</u>	<u>(13,991,061)</u>	<u>6,439,000</u>	<u>31,408,956</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

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

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
GAG	-	9,642,000	(8,550,000)	(119,000)	973,000
Pupil Premium	-	939,000	(939,000)	-	-
Other DfE/ESFA grants	223,000	237,000	(237,000)	-	223,000
Teachers' Pay Grant	-	101,000	(101,000)	-	-
Teachers Pension Grant	-	319,000	(319,000)	-	-
Other income	30,000	1,093,000	(1,061,000)	-	62,000
Apprenticeship Levy funded training	-	38,000	(38,000)	-	-
Teaching School	143,000	327,000	(321,000)	-	149,000
	<u>396,000</u>	<u>12,696,000</u>	<u>(11,566,000)</u>	<u>(119,000)</u>	<u>1,407,000</u>
Restricted fixed asset funds					
Restricted fixed asset funds	30,019,000	94,000	(862,000)	119,000	29,370,000
Restricted pension funds					
Pension reserve	<u>(3,543,000)</u>	-	<u>(524,000)</u>	<u>(1,467,000)</u>	<u>(5,534,000)</u>
Total restricted funds	26,872,000	12,790,000	(12,952,000)	(1,467,000)	25,243,000
Unrestricted funds					
Unrestricted general funds	<u>210,000</u>	<u>142,000</u>	-	-	<u>352,000</u>
Total funds	<u><u>27,082,000</u></u>	<u><u>12,932,000</u></u>	<u><u>(12,952,000)</u></u>	<u><u>(1,467,000)</u></u>	<u><u>25,595,000</u></u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Manchester Communication Academy	1,862,647	1,060,815
Manchester Communication Primary Academy	832,294	549,716
Teach North Manchester	151,283	148,359
	<hr/>	<hr/>
Total before fixed assets and pension reserve	2,846,224	1,758,890
Restricted fixed asset funds	28,562,732	29,370,532
Pension reserve	-	(5,534,000)
	<hr/>	<hr/>
Total	<u>31,408,956</u>	<u>25,595,422</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2022 £	Total 2021 £
Manchester Communication Academy	5,262,071	1,563,541	704,191	886,788	8,416,591	9,230,000
Manchester Communication Primary Academy	1,253,706	686,093	138,578	227,449	2,305,826	1,780,000
Central services	322,548	431,023	250,546	203,151	1,207,268	1,024,000
Academy Trust	<u>6,838,325</u>	<u>2,680,657</u>	<u>1,093,315</u>	<u>1,317,388</u>	<u>11,929,685</u>	<u>12,034,000</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

15 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	29,098,263	29,098,263
Current assets	844,080	2,375,124	-	3,219,204
Current liabilities	-	(908,511)	-	(908,511)
	844,080	1,466,613	29,098,263	31,408,956
	844,080	1,466,613	29,098,263	31,408,956

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	29,370,323	29,370,323
Current assets	315,500	2,232,993	-	2,548,493
Current liabilities	-	(789,392)	-	(789,392)
Pension scheme liability	-	(5,534,000)	-	(5,534,000)
	315,500	(4,090,399)	29,370,323	25,595,424
	315,500	(4,090,399)	29,370,323	25,595,424

16 Long-term commitments, including operating leases

Operating leases

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

	2022 £	2021 £
Amounts due within one year	12,378	162,000
Amounts due between one and five years	37,135	-
	49,513	162,000
	49,513	162,000

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2022	2021
	£	£
Net expenditure	(625,466)	(19,718)
Depreciation	907,503	857,114
Capital grants from DfE and other capital income	(100,704)	(93,759)
Defined benefit pension scheme cost less contributions payable	807,000	459,000
Defined benefit pension scheme finance cost	98,000	65,000
Decrease/(increase) in debtors	86,987	(69,040)
Increase in creditors	119,119	152,281
Adjustment (rounding)	<u>(2)</u>	<u>2</u>
Net cash provided by Operating Activities	<u>1,292,437</u>	<u>1,350,880</u>

18 Cash flows from investing activities

	2022	2021
	£	£
Purchase of tangible fixed assets	(635,443)	(239,098)
Capital funding received from sponsors and others	<u>100,704</u>	<u>93,759</u>
Net cash used in investing activities	<u>(534,739)</u>	<u>(145,339)</u>

19 Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand and at bank	<u>2,735,868</u>	<u>1,978,170</u>
Total cash and cash equivalents	<u>2,735,868</u>	<u>1,978,170</u>

20 Analysis of changes in net debt

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash	<u>1,978,170</u>	<u>757,698</u>	<u>2,735,868</u>
Total	<u>1,978,170</u>	<u>757,698</u>	<u>2,735,868</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 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 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 cease to be a member.

22 Related party transactions

Owing to the nature to the Academies Trust and to the composition of the board of trustees - historically being drawn from local public and private sector organisations - transactions have previously taken place with organisations in which the Trust has an interest. All transactions involving such organisations, have been conducted at arm's length and in accordance with the Trust's Financial Control Policy.

Manchester City Council

The Trust's transactions with Manchester City Council, meet the 'at cost' requirements of the Academy Trust Handbook 2021.

One of the trustees, Mrs D Barrow, is an employee of Manchester City Council. Mrs D Barrow holds the post of HR Business Partner and is not directly involved in the management or decision making of any of the divisions of the local authority with whom the Trust transacted.

Right To Succeed

The Executive Principal, Mr J Rowlands was appointed a Trustee of Right To Succeed in July 2020. The Right To Succeed Project is a collaboration between Right to Succeed, Manchester City Council and nine Manchester secondary schools which explores ways of reducing pupil exclusions across the city through developing opportunities for young people and delivering positive educational changes.

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

Contributions amounting to £168k (2021 - £166k) were payable to the schemes at 31 August and are included within creditors.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Pension and similar obligations (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,088,259 (2021: £1,070,232).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £470,000 (2021 - £424,000), of which employer's contributions totalled £357,000 (2021 - £318,000) and employees' contributions totalled £113,000 (2021 - £106,000). The agreed contribution rates for future years are 18.5 per cent for employers and between 5.5 - 12.5 per cent for employees.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Pension and similar obligations (continued)

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

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	3.80	3.70
Rate of increase for pensions in payment/inflation	3.10	2.90
Discount rate for scheme liabilities	<u>4.30</u>	<u>1.70</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Pension and similar obligations (continued)

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

	2022	2021
Retiring today		
Males retiring today	20.30	20.50
Females retiring today	23.20	23.30
Retiring in 20 years		
Males retiring in 20 years	21.60	21.90
Females retiring in 20 years	<u>25.10</u>	<u>25.30</u>
Sensitivity analysis		
	2022	2021
	£	£
Discount rate -0.1%	177,000.00	354,000.00
Mortality assumption – 1 year increase	217,000.00	428,000.00
CPI rate +0.1%	167,000.00	329,000.00
Salary increase rate +0.1%	<u>11,000.00</u>	<u>21,000.00</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Pension and similar obligations (continued)

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

	2022	2021
	£	£
Equities	3,939,210	3,679,000
Other bonds	799,260	777,000
Property	513,810	363,000
Cash and other liquid assets	456,720	363,000
Total market value of assets	<u>5,709,000</u>	<u>5,182,000</u>

The actual return on scheme assets was £72,000 (2021 - £822,000).

Amounts recognised in the statement of financial activities

	2022	2021
	£	£
Current service cost (net of employee contributions)	1,277,000	(459,000)
Interest income	89,000	70,000
Interest cost	(187,000)	(135,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	6,727,000	(1,467,000)
Total amount recognised in the SOFA	<u>7,906,000</u>	<u>(1,991,000)</u>

Included within the Statement of Financial Activities expenditure is the Actuarial Gain/(Loss) amounting to £6,727k (2021: £1,467k)

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Pension and similar obligations (continued)

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

	2021/22	2020/21
	£	£
At start of period	10,716,000	7,490,000
Current service cost	1,164,000	777,000
Interest cost	187,000	135,000
Employee contributions	113,000	106,000
Actuarial (gain)/loss	(6,744,000)	2,219,000
Benefits paid	<u>(15,000)</u>	<u>(11,000)</u>
At 31 August	<u>5,421,000</u>	<u>10,716,000</u>

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

	2021/22	2020/21
	£	£
At start of period	5,182,000	3,947,000
Interest income	89,000	70,000
Actuarial gain/(loss)	(17,000)	752,000
Employer contributions	357,000	318,000
Employee contributions	113,000	106,000
Benefits paid	<u>(15,000)</u>	<u>(11,000)</u>
At 31 August	<u>5,709,000</u>	<u>5,182,000</u>

Considering the impact of "asset ceiling" and that the pension scheme surplus cannot be recovered, the balance of the net defined pension scheme asset (£288,000) has been written off to the statement of financial activities. The net asset/liability is therefore Nil. This treatment is in accordance with FRS102 section 28. The actuarial gain is recognised in the year is reduced by the value of the net pension asset of £288,000 from £6,727,000 to £6,439,000.