

Company registration number: 08364709 (England and Wales)

FYLDE COAST ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

Haines Watts
Chartered Accountants
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

FYLDE COAST ACADEMY TRUST

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FYLDE COAST ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	D Fard J Corry M Becket A Nicholson
Directors	J Arber (Chair) M A Gutteridge L Knowles (resigned 10 August 2022) P Orr P Frew S Chapman (resigned 8 June 2022) S Hughes (appointed 12 September 2021) M Horn (appointed 10 August 2022) A Hurley (appointed 10 August 2022) A Whitehead (appointed 10 August 2022) E Williams (appointed 10 August 2022)
Company Secretary	J McCumiskey
Senior Management Team	
CEO	D Logan (appointed 19 April 2022), S Bullen (resigned 18 April 2022)
CFO	J McCumiskey
Director of Secondary Education	S Bullen
Director of Primary Education	S Bamber
Executive Headteacher	S Cox
Executive Headteacher	R Farley
Executive Headteacher	C Dellow
Principal and Registered Office	Armfield Academy, Lytham Road Blackpool, FY4 1TL
Company Name	Fylde Coast Academy Trust
Company Registration Number	08364709 (England and Wales)
Independent Auditor	Haines Watts Bridge House, Ashley Road Hale, Altrincham WA14 2UT
Bankers	Lloyds Bank Plc Blackburn BB2 1JQ
Solicitors	Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS2 3AG

FYLDE COAST ACADEMY 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 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a Trustees' report under company law.

The academy trust operates ten academies for pupils aged 3 to 16 across Blackpool and West Lancashire. The academies have a combined pupil capacity of 6,760 and had a roll of 6,344 in the school census from October 2022.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Fylde Coast Academy Trust are also the Trustees of the charitable company for the purposes of company law. The charitable company operates as the Fylde Coast Academy Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The trust has purchased insurance to cover Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business up to a limit of £10,000,000.

Method of recruitment and appointment or election of Trustees

The number of Trustees shall be not less than three but, (unless otherwise determined by ordinary resolution), shall not be subject to any maximum. The articles of association set out the categories of Trustees and this includes the following:

- Up to 9 Trustees, appointed by the members by ordinary resolution
- The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed.
- The total number of Trustees who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

Policies and procedures adopted for the induction and training of Trustees

Training and induction will depend on the individual experience of the director based on a skills audit at the time of appointment. Each new trustee will receive an induction overseen by the Clerk and Chair of Trustees. Training requirements are discussed at meetings of the Board of Trustees. In 2022/23 all trustees have been given access to the Essential trustee programme provided by the Confederation of Schools Trust.

Organisational structure

The Trustees are responsible for the general control and management of the Trust.

The Trustees meet a minimum of termly and are responsible for all decisions taken in relation to the activities provided by the trust. The Trustees have established an Audit & Risk Committee that meets termly to ensure the independent checking of financial controls, systems, transactions and risks.

The Trust has delegated some decision making to additional Trustee committees and the local governing bodies of its schools. The Trust has a clear scheme of delegation regarding the delegation of these decisions; this also details the decisions that have been delegated to executive management to ensure the day to day operational capacity of the Trust.

The Trust Chief Executive Officer (CEO) is the Accounting Officer.

FYLDE COAST ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees has appointed a Resources Committee. This committee has responsibility for the appointment, terms and conditions, compensation, ongoing performance management, disciplinary and grievance procedures of the CEO and to decide on the level of executive remuneration, based on recommendations from annual performance reviews, taking into account the relevant skills and qualifications of the post holder plus advice from the Chief Operating Officer on affordability and results of local and national benchmarks.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	2.6

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	2
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£15,500
Total pay bill	£29,591,731
Percentage of total pay bill spent on facility time	0.05%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	7.6%
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Engagement with employees (including disabled persons)

The Board recognises the importance of engaging with its employees. Management regularly provides information to employees through a range of formal and informal channels, including issue of the FCAT Chat newsletter and updates to the internal Team FCAT website. Headteachers and Executives meet regularly both in person and virtually. Meetings with union representatives and the CEO and Head of HR take place each half term.

In 22/23 the trust will hold an away day to enable all staff across the trust to come together. This day will be used to update staff on trust and sector developments, meet with colleagues in similar roles at other academies and provide CPD opportunities.

The trust SLT consult with employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests, examples of consultations that have taken place in the current year include the pay policies, teacher appraisal policies, disciplinary and special leave policies.

The trust conducts and publishes an anonymous employee survey to give an insight into employee views. The SLT use this survey to gain insight into the views of its employees and as a basis for prioritising actions across the year. The trust also operated a Work and Wellbeing group which has led to the development of the Work and Wellbeing charter. This charter displayed across the academies and published on the websites demonstrates the trust's commitment to securing the wellbeing of all staff in its employ.

FCAT and the recognised trade unions have a common objective in ensuring that FCAT provides excellence in the delivery of education and services to our students and their relatives/carers and that to enable this, employment practices within FCAT are conducted to the highest possible standard.

FYLDE COAST ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

To achieve excellence, FCAT and the trade unions are committed to working in partnership to ensure good employee relations and effective and efficient educational delivery and to achieve reasonable solutions in consideration of both factors. The parties undertake to negotiate constructively with a view to reaching joint agreements which are acceptable for staff wherever possible.

FCAT is opposed to any discrimination against a person with disabilities based on assumptions of their ability or otherwise. Where an employee who has a disability is appointed to a post in an academy or a student is admitted, reasonable provision will be made for adjustments to the working conditions or environment where this is practicable.

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

As part of the Board's decision-making process, the Board and its Committees consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term. The trust is continuing to develop a preferred suppliers register in order to build mutually beneficial relationships with valued suppliers who comply with all relevant legislation, offer value for money, understand and support the trust's values.

More detail of how we connect with our stakeholders including our sponsor, members and local community are included throughout the Trustees' Report.

Objectives and activities

Objects and aims

The Academy Trust's objects are:

To advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum and to promote for the benefit of the inhabitants of the Borough of Blackpool and the County of Lancashire and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic welfare and with the object of improving the condition of life of the said inhabitants.

FCAT is made up of primary, secondary and all through schools serving communities in the north west of England. Our schools are non selective and inclusive. We serve urban and rural communities and operate over two local authority boundaries - Lancashire and Blackpool. We believe that through collaboration we can improve the quality of education and the experiences our stakeholders have with our schools. The opportunities for staff to work together, learning from each other and growing their expertise and spreading this across our schools enhances the work we do and the standard of education pupils receive.

FCAT is a partnership of schools formed to benefit from the opportunities of collaboration, to support and enhance the strengths of each school. There is a common desire to share expertise and support school improvement across the organisation.

FCAT also has a strong desire to facilitate inclusion and social integration across our schools and communities.

Three guiding principles drive all of our work and decision-making:

- Children come first, and are at the heart of all we do
- Positive relationships underpin all of our work.
- High expectations – everyone can achieve.

Objectives, strategies and activities

We recognise that there are areas of clear strength in the trust and some common aspects where we can continue to improve, such as supporting leaders to improve outcomes for disadvantaged pupils and their families. Our objectives hone in on areas of practice where our self evaluation identifies need, builds further on areas of strength and identifies ambition to widen our scope and provision beyond the boundaries of the school and into the communities we serve and work alongside.

FYLDE COAST ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The objectives and aims for 2022/23 are set out in the trust's strategic plan:

Developing our pupils:

- Stakeholder engagement to better understand the needs and aspirations of pupils, parents and other external agencies.
- Staff development to provide staff with the knowledge and expertise to address the social, emotional and mental health needs of pupils.
- Implementing a trauma informed approach in our schools.
- Adjusting the curriculum to address social disadvantage and to provide stronger progression routes to support pupils' success in their next steps or phase of education.

Investing in a positive culture:

- Addressing the mental health and well being of pupils and staff.
- Training and development programmes for trustees/governors, staff and pupils - developed from stakeholder voice feedback.
- Access to health care services for all staff.

Pupils' outcomes:

- Progress, attainment and attendance goals set at national benchmarks.
- Inclusion goals and curriculum design to significantly reduce permanent exclusions, pupil suspensions and alternative provision placements.
- Broad and balanced curriculum goals to secure progression to the next stage of the pupils' education, training or employment.
- Enrichment and personal development goals to support pupils to be active and responsible citizens.
- Collaborative staff practices to grow/strengthen professional expertise and reduce workload.
- An effective school improvement model that diagnoses need and delivers sustained improvements.

Effective use of resources

- A defined capital programme policy and plan that maximises the SCA funding with needs of pupils.
- Efficient organisation and use of school budgets to maximise outcome goals.
- Identify efficiencies in procurement to maximise funding.

Growth

- Develop partnerships with good and outstanding schools.
- Facilitate collaborative work between schools and trusts.
- Growth at a sustainable rate, with integrity prioritised over ambition.

Public benefit

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trust will deliver a public benefit in the provision of high-quality education to its pupils.

Strategic report

Achievements and performance

Performance in 2021/22 cannot be compared to previous year's performance as a result of the impact the Covid 19 pandemic has had on pupil and staff attendance, remote learning and Ofqual adjustments to external examinations.

Primary phase performance in 2022 is broadly above the national average across all measures, with some outcomes above government's ambition for 2030. Where performance is below national expectations it is directly related to the extreme levels of pupil turbulence and the amplified impact of Covid 19 on disadvantages families.

The secondary phase performance has a wider range in terms of attainment, though GCSE attainment has generally increased in comparison to the trajectory modelled through from 2017. A key area for further development is the progress 8 performance measure. However, our pupils have been very successful in securing courses or apprenticeships to continue in their next phase of education or training.

FYLDE COAST ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

During this period four schools have received inspections; three section 5 and one section 8 inspection. One school retained their good judgement, one moved from good to require improvement, one moved from requires improvement to good and the fourth retained the requires improvement judgement but moved three of the four judgement areas to good and will on the next inspection secure a good rating.

Attendance throughout the pandemic and last year remained strong and above the national figures published weekly by the Department for Education. However, we aim to further improve this and work to engage with stakeholders to secure very high levels of attendance.

Our three year strategy will address the challenges faced by our families and pupils who experience poverty and social exclusion routinely. Investment in staff expertise, curriculum provision and becoming trauma informed will significantly improve the experience of our most disadvantaged pupils.

Key financial performance indicators

Despite ongoing pressure on budgets, during the year all academies within the trust recorded a positive closing reserves position at the financial year end. Staff costs remained below the target of 80% of non-capital income.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, 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.

Promoting the success of the company

The Board of Trustees, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the trust to achieve its charitable purposes and for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Trust are appropriately informed by s172 factors.

Financial review

Most of the trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes, i.e., the object of the trust.

During the financial year total net assets increased by £17m to £80m. The general restricted fund decreased by £1.5m in the year and at year end shows a closing surplus, before the actuarial gains on defined benefit pension schemes, of £3.2m. The unrestricted fund had a closing surplus of £2.3m.

The closing fixed asset funds has a reported closing surplus of £78.6m.

The cash position increased from £10.4m to £11.4m. The closing level of cash and reserves illustrates a strong position from which to manage the academies going forward, invest resources to aid learning post covid and to manage the exceptional inflationary pressures currently being experienced across the sector.

The deficits in the Local Government Pension Scheme (LGPS) are recognised on the balance sheet in accordance with the provision of FRS102. It is noted that the pension liability decreased from £22m to £4m.

Reserves policy

The amount of reserves held are stated in the Financial Review noted above. The Board of Trustees ensure that reserves held are in accordance with the requirements laid down in the Academies Handbook 2022. The Department for Education expects Trusts to use their allocated funding for the full benefit of current pupils. If Trusts have a substantial surplus, they must have a clear plan for how it will be used to benefit their pupils. It is the policy of

FYLDE COAST ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Trust to have reserves which can be used for future education purposes in line with the development plans.

Reserves are required to:

- Ensure sustainability of the school in the event of reductions in funding, reductions in pupil numbers or unexpected increases in expenditure.
- Fund capital projects and the replacement of equipment.
- Enable the trust to respond to opportunities and implement the longer term strategic plan.
- Invest in resources in the short term to support the recovery from closures due to the pandemic

The Academy Trust's total free reserves as at 31 August 2022 are £5.5m. Reserves currently stand at 16% of GAG, ahead of the minimum required. The three-year financial plan included significant investment in estates, utilising these reserves but some of these plans are now being reconsidered in light of current budgetary pressures caused by pay inflation, exceptional utility costs and other inflationary pressures.

The trust reviews the level of reserves throughout the year as part of management reporting.

Investment policy

The trust considers the investment of surplus funds to reflect good stewardship. A return on working capital should be optimised whilst allowing easy access of the funds. In balancing risk against return, the trust's policy is clearly geared towards avoiding risk rather than to maximising return.

Monies surplus to the working requirements shall be invested in an account in the name of the trust with the approved institutions authorised by the Board of Trustees. This may be a higher interest bearing account operated by the same bank that the Academy operates its current account with, or an alternative approved institution.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the trust is exposed and are satisfied that systems are in place to manage the identified risks effectively. A Risk Register is maintained in which identified risks are recorded and an assessment of risk is a standing item on the agenda of meetings of the Board of Trustees.

Below is a description of the principal risk factors which may affect the academy trust. Not all factors are within the academy trust's control. Other factors besides those listed below may also adversely affect the academy trust:

- Significant cost pressures due to inflation on both pay and non-pay expenditure with no certainty of additional funding to cover these costs. This is mitigated by current high level of reserves and monitoring of costs.
- Continuing impact from COVID on pupil outcomes and staff and pupil well being.
- Falling pupil numbers within Blackpool impacting on funding levels.

Systems and procedures are in place to minimise the risks identified including operational procedures and internal financial controls reviewed by the Audit & Risk Committee on a termly basis.

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016 a statement regarding fundraising activities is required.

Although the trust does not undertake widespread fundraising from the general public, in relation to the above we confirm that all fundraising is managed internally, without involvement of external fund-raisers.

The day-to-day management of all income generation is delegated to the CFO and Executive team, who are accountable to the Trustees. The trust has received no complaints in relation to fundraising activities

FYLDE COAST ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022	2021/22	2020/21
Energy consumption used to calculate emissions (kWh)	7,183,854	7,332,914
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	901.5	963
Owned transport – minibuses	7.8	0
Total Scope 1	909.3	963
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	434.2	441
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles	2.7	0.3
Total gross emissions in metric tonnes CO ₂ e	1,346.2	1,404
Intensity ratio		
Tonnes CO ₂ e per pupil	0.22	0.23

Quantification and reporting methodology:-

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have now installed LED lighting across a number of our academies, and increased video conferencing technology for staff meetings, to reduce the need for travel between sites. Energy saving impacts are a key consideration in determining the use of capital funding.

Plans for future periods

The trust will continue to develop and integrate its family of academies and aims to provide a world class education for local young people. Decisions on growth will be taken on a case by case basis after completing a thorough due diligence process.

Auditor

Insofar as the Trustees are aware:

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

This trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, on 13 December 2022 and signed on the Board's behalf by:



Joel Arber
Chair of Trustees

FYLDE COAST ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Fylde Coast Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatements or loss. As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
J Arber	6	6
M Gutteridge	6	6
P Frew	5	6
P Orr	5	6
S Chapman (resigned 8 June 2022)	4	6
L Knowles (resigned 10 August 2022)	5	6
S Hughes (appointed 12 September 2021)	5	6
M Horn (appointed 10 August 2022)	0	0
A Hurley (appointed 10 August 2022)	0	0
A Whitehead (appointed 10 August 2022)	0	0
E Williams (appointed 10 August 2022)	0	0

At these meetings, the Board sets and reviews the vision and direction of the trust. Key financial information including budget monitoring reports and reports issued by internal auditors are reviewed and capital spend for individual academies authorised. FCAT policies are regularly reviewed and updated. Financial information provided throughout the year is compared to year end audited accounts to ensure data is acceptable.

Each year a report on FCAT director's skills is produced following completion of skills audit forms.

Conflicts of interest

Members of the Board of Trustees, Local Governing Bodies, senior management and senior finance personnel are required to disclose interests in FCAT's register of interests maintained by the Clerk to the Governors. They will also be responsible for ensuring that entries in the register relating to them are kept up to date regularly and promptly.

In particular, no person shall be a signatory to an academy contract where he or she also has an interest in the activities of the other party.

Governance reviews

During the year an external governance review took place. This review was commissioned by the local Regional Schools Commissioner following the resignation of the long standing Chair of Trustees and the significant period of time taken to recruit a new CEO following the retirement of the previous incumbent.

The reported recommendations of this review were:

- The board should work with the new CEO and the leadership team to co-create a strategy and vision for the trust which all can support and commit to.
- The board should continue to work to improve relationships with the trust Senior Leaders.
- The board should seek training in better understanding its role.

FYLDE COAST ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- The board should work with the CST consultant already commissioned to ensure the committee structure and scheme of delegation is fit for purpose; this should include the introduction of a committee to scrutinise curriculum and standards.
- The board should consider how communication between the layers of governance can be better facilitated.
- Succession plans should be developed to allow the trustees who are currently chairing academy councils to move away from one role or the other to remove the current overlap.
- Link trustees should be appointed, for safeguarding and SEND.
- The board should appoint at least one further trustee with educational knowledge and experience, preferably at primary level.

A follow up review took place in July 2022 and the report concluded that a great deal of work has been undertaken since the review and much of the infrastructure is now in place to facilitate strong governance in the trust. The new structures and arrangements should be monitored and reviewed after twelve months to assess whether they are fit for purpose.

Committees

The Audit & Risk committee is also a sub-committee of the main board of Trustees. Its purpose is to review the arrangements for securing value for money, solvency and safeguarding of assets, provide assurance as to the effectiveness of the internal control system, consider internal audit reports and external audit reports, review the Annual Report and Financial Statements and to monitor on an ongoing basis the Risk Register and Risk Management Policy.

Attendance at Audit Committee meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
L Knowles	3	3
P Orr	3	3

Review of value for money

As accounting officer the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Employment of a central School Improvement Team that supports academies across the trust in key curriculum areas.
- Making use of economies of scale when purchasing resources and monitoring preferred suppliers to ensure quality and cost meet trust requirements.
- Benchmarking costs across academies to drive efficiencies and share best practice across the trust.

The purpose of the system of internal control

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

FYLDE COAST ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service. During 2021/22 this service was supplied by Mazars LLP. Following a tender process, the service has been awarded to RSM UK Risk Assurance Services LLP from 1 September 2022.

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

- Testing of cyber security
- Testing of HR & payroll
- Testing of the Quality Assurance framework

The internal auditor also produces a follow up report detailing actions taken by the trust as a result of matters highlighted in previous years' reports.

Three times a year, the auditor reports to the board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility of the development and maintenance of the internal control framework

FYLDE COAST ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on its behalf by:



J Arber
Chair of Trustees



D Logan
Accounting Officer

FYLDE COAST ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Fylde Coast Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding 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's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 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.



.....
D Logan
Accounting Officer

Date: 13 December 2022

FYLDE COAST ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Fylde Coast Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 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 accounts for each financial year. Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 13 December 2022 and signed on its behalf by:


.....
J Arber
Chair of Trustees

FYLDE COAST ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FYLDE COAST ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Fylde Coast Academy Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

FYLDE COAST ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FYLDE COAST ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the accounts

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

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

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group's or the parent charitable company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

FYLDE COAST ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FYLDE COAST ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Use of our report

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

.....*Haines Watts*.....

Candice Beynon FCCA (Senior Statutory Auditor)

for and on behalf of

Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham WA14 2UT

Date:*Byn*.....

FYLDE COAST ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FYLDE COAST ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 6 April 2022 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 Fylde Coast Academy 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 Fylde Coast Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Fylde Coast Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Fylde Coast Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Fylde Coast Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Fylde Coast Academy Trust's funding agreement with the Secretary of State for Education dated 26 August 2021 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 period 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.

FYLDE COAST ACADEMY TRUST

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

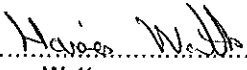
FOR THE YEAR ENDED 31 AUGUST 2022

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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 period 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.


.....
Haines Watts
Reporting Accountant

Date:13/09/22.....

FYLDE COAST ACADEMY TRUST**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE
ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Donations and capital grants	3	10	17	1,187	1,214	1,520
Charitable activities:						
- Funding for educational operations	4	1,332	41,657	-	42,989	39,631
Other trading activities	5	174	-	-	174	95
Investments	6	2	-	-	2	2
Total		1,518	41,674	1,187	44,379	41,248
Expenditure on:						
Raising funds	7	29	-	-	29	35
Charitable activities:						
- Educational operations	9	1,258	43,715	2,312	47,285	42,504
Total	7	1,287	43,715	2,312	47,314	42,539
Net income/(expenditure)		231	(2,041)	(1,125)	(2,935)	(1,291)
Transfers between funds	18	(1,475)	(1,445)	2,920	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	20,616	-	20,616	(2,303)
Net movement in funds		(1,244)	17,130	1,795	17,681	(3,594)
Reconciliation of funds						
Total funds brought forward		3,522	(17,730)	76,823	62,615	66,209
Total funds carried forward		2,278	(600)	78,618	80,296	62,615

FYLDE COAST ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES


FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2021		funds	General	Fixed asset	2021
	Notes	£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	9	16	1,495	1,520
Charitable activities:					
- Funding for educational operations	4	730	38,901	-	39,631
Other trading activities	5	63	32	-	95
Investments	6	2	-	-	2
Total		804	38,949	1,495	41,248
Expenditure on:					
Raising funds	7	35	-	-	35
Charitable activities:					
- Educational operations	9	414	39,562	2,528	42,504
Total	7	449	39,562	2,528	42,539
Net income/(expenditure)		355	(613)	(1,033)	(1,291)
Transfers between funds	18	(27)	(476)	503	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(2,303)	-	(2,303)
Net movement in funds		328	(3,392)	(530)	(3,594)
Reconciliation of funds					
Total funds brought forward		3,194	(14,338)	77,353	66,209
Total funds carried forward		3,522	(17,730)	76,823	62,615

FYLDE COAST ACADEMY TRUST**BALANCE SHEET****AS AT 31 AUGUST 2022**

		2022	2021
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	76,276	76,089
Current assets			
Debtors	14	1,587	1,398
Cash at bank and in hand		11,378	10,433
		12,965	11,831
Current liabilities			
Creditors: amounts falling due within one year	15	(4,983)	(2,571)
Net current assets		7,982	9,260
Total assets less current liabilities		84,258	85,349
Creditors: amounts falling due after more than one year	16	(184)	(237)
Net assets before defined benefit pension scheme liability		84,074	85,112
Defined benefit pension scheme liability	20	(3,778)	(22,497)
Total net assets		80,296	62,615
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		78,618	76,823
- Restricted income funds		3,178	4,767
- Pension reserve		(3,778)	(22,497)
Total restricted funds		78,018	59,093
Unrestricted income funds	18	2,278	3,522
Total funds		80,296	62,615

The accounts were approved by the trustees and authorised for issue on 13 December 2022 and are signed on their behalf by:



J Arber
 Chair of Trustees

Company registration number: 08364709

FYLDE COAST ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	21		2,313		1,199
Cash flows from investing activities					
Dividends, interest and rents from investments		2		2	
Capital grants from DfE Group		1,187		1,495	
Purchase of tangible fixed assets		(2,499)		(1,124)	
Proceeds from sale of tangible fixed assets		(4)		3	
Net cash (used in)/provided by investing activities			(1,314)		376
Cash flows from financing activities					
Repayment of long term bank loan		(54)		(228)	
Net cash used in financing activities			(54)		(228)
Net increase in cash and cash equivalents in the reporting period			945		1,347
Cash and cash equivalents at beginning of the year			10,433		9,086
Cash and cash equivalents at end of the year			11,378		10,433

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

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.

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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 life, as follows:

Freehold land and buildings	10 to 50 years
Leasehold land and buildings	Buildings 10 to 50 years, Land over the term of the lease
Fixtures, fittings & equipment	5 years
Computer equipment	3 years
Motor vehicles	10 years

A full year's amount of depreciation is charged in the year of acquisition.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Pensions benefits

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

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

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

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.

FYLDE COAST ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****2 Critical accounting estimates and areas of judgement****(Continued)**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	1,187	1,187	1,495
Other donations	10	17	27	25
	<u>10</u>	<u>1,204</u>	<u>1,214</u>	<u>1,520</u>

4 Funding for the academy trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	34,313	34,313	30,993
Other DfE/ESFA grants:				
- UIFSM	-	189	189	450
- Pupil premium	-	3,130	3,130	2,861
- Others	-	1,377	1,377	1,595
	<u>-</u>	<u>39,009</u>	<u>39,009</u>	<u>35,899</u>
Other government grants				
Local authority grants	-	2,566	2,566	2,308
	<u>-</u>	<u>2,566</u>	<u>2,566</u>	<u>2,308</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	174
Other DfE/ESFA COVID-19 funding	-	82	82	507
	<u>-</u>	<u>82</u>	<u>82</u>	<u>681</u>
Other incoming resources	1,332	-	1,332	743
	<u>1,332</u>	<u>-</u>	<u>1,332</u>	<u>743</u>
Total funding	<u>1,332</u>	<u>41,657</u>	<u>42,989</u>	<u>39,631</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities (Continued)

The academy trust received £2,566,000 (2021: £2,308,000) of grant funding from the local authorities in the year. This related to £496,000 of early years funding, £938,000 of high needs funding, £224,000 of pupil premium funding and £908,000 of other funding.

There were no unfulfilled conditions or other contingencies in respect of government grant funding.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	137	-	137	61
Catering income	17	-	17	-
Other income	20	-	20	34
	<u>174</u>	<u>-</u>	<u>174</u>	<u>95</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Short term deposits	2	-	2	2
	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Expenditure on raising funds					
- Direct costs	-	-	29	29	35
Academy's educational operations					
- Direct costs	27,161	2,308	3,809	33,278	31,632
- Allocated support costs	7,942	2,727	3,338	14,007	10,872
	<u>35,103</u>	<u>5,035</u>	<u>7,176</u>	<u>47,314</u>	<u>42,539</u>

Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000
Fees payable to auditor for:		
- Audit	25	17
- Other services	6	-
Operating lease rentals	96	117
Depreciation of tangible fixed assets	2,308	2,528
Loss on disposal of fixed assets	4	-
Net interest on defined benefit pension liability	366	326
	<u>3,005</u>	<u>3,088</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Central services

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

- educational support services
- financial services
- governance and clerking services
- estate management and HSE services
- HR services
- marketing and PR services
- IT services
- data and DPO services

The academy trust charges for these services at a flat percentage of income agreed for the period as a percentage of GAG (3.25%-5.25%). The actual amounts charged during the year were as follows:

The amounts charged during the year were as follows:	2022 £'000	2021 £'000
Unity Academy Blackpool	310	295
Montgomery Academy	350	345
Blackpool Aspire Academy	267	249
Hambleton Primary Academy	28	28
Westcliff Primary Academy	48	46
Blackpool Gateway Academy	93	98
Mereside Primary Academy	79	76
Garstang Community Academy	143	141
Westminster Primary Academy	106	99
Armfield Academy	251	191
	<u>1,675</u>	<u>1,568</u>

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Direct costs				
Educational operations	323	32,955	33,278	31,632
Support costs				
Educational operations	935	13,072	14,007	10,872
	<u>1,258</u>	<u>46,027</u>	<u>47,285</u>	<u>42,504</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9	Charitable activities	(Continued)	
		2022	2021
		£'000	£'000
	Analysis of support costs		
	Support staff costs	8,102	6,233
	Depreciation	4	4
	Technology costs	235	-
	Premises costs	2,723	1,874
	Legal costs	32	37
	Other support costs	2,866	2,678
	Governance costs	45	46
		<u>14,007</u>	<u>10,872</u>

10 Staff

Staff costs

Staff costs during the year were:

	2022	2021
	£'000	£'000
Wages and salaries	23,826	21,911
Social security costs	2,390	1,980
Pension costs	6,794	6,352
	<u>33,010</u>	<u>30,243</u>
Staff costs - employees	33,010	30,243
Agency staff costs	2,034	2,075
Staff restructuring costs	59	20
	<u>35,103</u>	<u>32,338</u>
Staff development and other staff costs	270	-
	<u>35,373</u>	<u>32,338</u>

Staff restructuring costs comprise:

Severance payments	59	20
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Severance payments

The academy trust paid 5 severance payments in the year, disclosed in the following bands:

0 - £25,000	4
£25,001 - £50,000	1

Special staff severance payments

Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £51,196 (2021: £20,194). Individually, the payments were: £1,180, £1,259 & £48,757.

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

(Continued)

Staff numbers

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

	2022 Number	2021 Number
Teachers	385	360
Administration and support	476	447
Management	15	14
	<u>876</u>	<u>821</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	364	336
Administration and support	307	297
Management	14	14
	<u>685</u>	<u>647</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	13	11
£70,001 - £80,000	4	6
£80,001 - £90,000	5	4
£120,001 - £130,000	1	1
£160,001 - £170,000	1	-
	<u>24</u>	<u>22</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 key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £737,000 (2021: £734,000).

11 Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment within the academy trust.

During the year ended 31 August 2022 there were no expenses reimbursed to trustees (2021: £nil).

Other transactions with the trustees are set out in the related parties note.

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Trustees' and officers' insurance

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

13 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Fixtures, fittings & equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 September 2021	14,795	70,642	2,559	2,305	44	90,345
Additions	68	1,611	558	262	-	2,499
Disposals	-	-	(31)	(34)	-	(65)
At 31 August 2022	14,863	72,253	3,086	2,533	44	92,779
Depreciation						
At 1 September 2021	2,199	7,944	2,148	1,940	25	14,256
On disposals	-	-	(27)	(34)	-	(61)
Charge for the year	256	1,456	276	316	4	2,308
At 31 August 2022	2,455	9,400	2,397	2,222	29	16,503
Net book value						
At 31 August 2022	12,408	62,853	689	311	15	76,276
At 31 August 2021	12,596	62,698	411	365	19	76,089

The net book value of land and buildings comprises:

	2022 £'000	2021 £'000
Freeholds	12,408	12,596
Long leaseholds (over 50 years)	62,853	62,698
	75,261	75,294

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Debtors

	2022 £'000	2021 £'000
Trade debtors	50	108
VAT recoverable	300	215
Other debtors	6	37
Prepayments and accrued income	1,231	1,038
	<u>1,587</u>	<u>1,398</u>

15 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Government loans	52	53
Trade creditors	1,943	470
Other taxation and social security	558	510
ESFA creditors	168	176
Other creditors	174	169
Accruals and deferred income	2,088	1,193
	<u>4,983</u>	<u>2,571</u>

16 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Government loans	184	237
	<u>184</u>	<u>237</u>
Analysis of loans	2022 £'000	2021 £'000
Wholly repayable within five years	236	290
Less: included in current liabilities	(52)	(53)
Amounts included above	<u>184</u>	<u>237</u>
Loan maturity		
Debt due in one year or less	52	53
Due in more than one year but not more than two years	52	53
Due in more than two years but not more than five years	109	127
Due in more than five years	23	57
	<u>236</u>	<u>290</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Creditors: amounts falling due after more than one year (Continued)

Government loans include a CIF loan from the ESFA which is provided at 2.04% interest rate repayable over 8 years. Also included are Salix loans provided at 0% interest rate and all repayable over 8 years.

17 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	373	272
Deferred income at 1 September 2021	272	285
Released from previous years	(272)	(285)
Resources deferred in the year	373	272
Deferred income at 31 August 2022	373	272

At the balance sheet date the academy trust was holding funds received in advance for rates relief, UIFSM, school trips and other grants and income relating to 2022/23.

FYLDE COAST ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****18 Funds**

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	4,148	34,313	(34,457)	(902)	3,102
UIFSM	15	189	(204)	-	-
Pupil premium	-	3,130	(3,130)	-	-
Other DfE/ESFA COVID-19 funding	-	82	(82)	-	-
Other DfE/ESFA grants	-	1,377	(1,377)	-	-
Other government grants	-	2,566	(2,551)	-	15
Transfer of assets from merged academy	543	-	-	(543)	-
Other restricted funds	61	17	(17)	-	61
Pension reserve	(22,497)	-	(1,897)	20,616	(3,778)
	<u>(17,730)</u>	<u>41,674</u>	<u>(43,715)</u>	<u>19,171</u>	<u>(600)</u>
Restricted fixed asset funds					
Inherited on conversion	51,643	-	(796)	-	50,847
DfE group capital grants	5,012	1,187	(313)	-	5,886
Capital expenditure from GAG	1,874	-	(513)	902	2,263
Transfer of assets from merged academy	17,567	-	(630)	543	17,480
Private sector capital	727	-	(60)	1,475	2,142
	<u>76,823</u>	<u>1,187</u>	<u>(2,312)</u>	<u>2,920</u>	<u>78,618</u>
Total restricted funds	<u>59,093</u>	<u>42,861</u>	<u>(46,027)</u>	<u>22,091</u>	<u>78,018</u>
Unrestricted funds					
General funds	<u>3,522</u>	<u>1,518</u>	<u>(1,287)</u>	<u>(1,475)</u>	<u>2,278</u>
Total funds	<u>62,615</u>	<u>44,379</u>	<u>(47,314)</u>	<u>20,616</u>	<u>80,296</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

The pension value as at 31 August 2022 has been determined by the actuary which is now showing the following pension assets and liabilities as at the balance sheet date:

Hambleton Primary Academy – pension liability of £124,000
 Garstang Community Academy – pension liability of £260,000
 Westcliff Primary Academy – pension liability of £304,000
 Montgomery Academy – pension liability of £579,000
 Unity Academy Blackpool – pension liability of £1,354,000
 Blackpool Aspire Academy – pension liability of £577,000
 Blackpool Gateway Academy – pension liability of £51,000
 Mereside Primary Academy – pension liability of £495,000
 Westminster Primary Academy – pension liability of £41,000
 Armfield Academy – pension asset of £7,000

This results in the academy trust's consolidated position as showing a pension liability and pension fund deficit. In accordance with applicable accounting standards, the asset value in Armfield Academy has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy. The restricted fixed asset fund represents the net book value of tangible fixed assets of £76,276,000 plus unspent capital grant income of £2,342,000

Unrestricted funds are funds which the board of trustees may use in the pursuance of the academy's objects and are expendable at the discretion of the trustees.

The transfer of £902,000 from the restricted general GAG fund and the transfer of £342,000 from unrestricted funds to the restricted fixed asset fund relates to capital additions for which there was no specific capital funding.

The transfer of £1,133,000 from unrestricted funds to restricted fixed asset funds relates to the reclassification of fixed assets purchased with unrestricted reserves which were sitting within the unrestricted fund instead of the restricted fixed asset fund.

The transfer of £573,000 from the restricted general fund to the restricted fixed asset fund relates to the reclassification of fixed assets that were sitting in the restricted general funds.

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

FYLDE COAST ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****18 Funds****(Continued)**

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	3,790	30,993	(30,159)	(476)	4,148
UIFSM	67	450	(502)	-	15
Pupil premium	50	2,861	(2,911)	-	-
Catch-up premium	-	174	(174)	-	-
Other DfE/ESFA COVID-19 funding	-	507	(507)	-	-
Other DfE/ESFA grants	-	1,595	(1,595)	-	-
Other government grants	35	2,308	(2,343)	-	-
Transfer of assets from merged academy	543	-	-	-	543
Other restricted funds	-	61	-	-	61
Pension reserve	(18,823)	-	(1,371)	(2,303)	(22,497)
	<u>(14,338)</u>	<u>38,949</u>	<u>(39,562)</u>	<u>(2,779)</u>	<u>(17,730)</u>
Restricted fixed asset funds					
Inherited on conversion	18,147	-	-	-	18,147
DfE group capital grants	4,077	1,495	(2,528)	-	3,044
Capital expenditure from GAG	1,416	-	-	503	1,919
Private sector capital	53,713	-	-	-	53,713
	<u>77,353</u>	<u>1,495</u>	<u>(2,528)</u>	<u>503</u>	<u>76,823</u>
Total restricted funds	<u>63,015</u>	<u>40,444</u>	<u>(42,090)</u>	<u>(2,276)</u>	<u>59,093</u>
Unrestricted funds					
General funds	<u>3,194</u>	<u>804</u>	<u>(449)</u>	<u>(27)</u>	<u>3,522</u>
Total funds	<u>66,209</u>	<u>41,248</u>	<u>(42,539)</u>	<u>(2,303)</u>	<u>62,615</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

Total funds analysis by academy

	2022	2021
	£'000	£'000
Fund balances at 31 August 2022 were allocated as follows:		
Unity Academy Blackpool	672	1,668
Montgomery Academy	826	1,217
Blackpool Aspire Academy	666	1,421
Hambleton Primary Academy	240	301
Westcliff Primary Academy	312	421
Blackpool Gateway Academy	562	824
Mereside Primary Academy	391	490
Garstang Community Academy	376	500
Westminster Primary Academy	654	548
Armfield Academy	225	321
Central services	532	578
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	5,456	8,289
	<hr/>	<hr/>
Restricted fixed asset fund	78,618	76,823
Pension reserve	(3,778)	(22,497)
	<hr/>	<hr/>
Total funds	80,296	62,615
	<hr/>	<hr/>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000	Total 2021 £'000
Unity Academy Blackpool	4,782	896	794	902	7,374	7,148
Montgomery Academy	5,259	687	691	876	7,513	6,958
Blackpool Aspire Academy	3,859	540	739	722	5,860	5,396
Hambleton Primary Academy	823	107	124	190	1,244	1,148
Westcliff Primary Academy	761	167	110	148	1,186	1,229
Blackpool Gateway Academy	1,783	256	236	352	2,627	2,536
Mereside Primary Academy	1,408	320	175	295	2,198	2,067
Garstang Community Academy	3,424	420	304	840	4,988	4,528
Westminster Primary Academy	1,942	165	172	330	2,609	2,555
Armfield Academy	4,024	438	553	738	5,753	4,329
Central services	768	743	44	204	1,759	2,117
	<u>28,833</u>	<u>4,739</u>	<u>3,942</u>	<u>5,597</u>	<u>43,111</u>	<u>40,011</u>

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	76,276	76,276
Current assets	2,278	8,345	2,342	12,965
Current liabilities	-	(4,983)	-	(4,983)
Non-current liabilities	-	(184)	-	(184)
Pension scheme liability	-	(3,778)	-	(3,778)
Total net assets	<u>2,278</u>	<u>(600)</u>	<u>78,618</u>	<u>80,296</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	1,160	-	74,929	76,089
Current assets	2,362	7,285	2,184	11,831
Current liabilities	-	(2,518)	(53)	(2,571)
Non-current liabilities	-	-	(237)	(237)
Pension scheme liability	-	(22,497)	-	(22,497)
Total net assets	3,522	(17,730)	76,823	62,615

20 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 Lancashire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £166,000 were payable to the schemes at 31 August 2022 (2021: £156,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £3,573,000 (2021: £3,347,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.9 to 22.9% for employers and 5.5 to 12.5% for employees.

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	1,732	1,704
Employees' contributions	410	382
Total contributions	<u>2,142</u>	<u>2,086</u>
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	4.2 - 4.4	4.3
Rate of increase for pensions in payment/inflation	2.7 - 2.9	2.9
Discount rate for scheme liabilities	<u>4.2 - 4.3</u>	<u>1.7</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations (Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	22.3	22.4
- Females	25.0	25.1
Retiring in 20 years		
- Males	23.7	23.9
- Females	26.8	26.9

Sensitivity analysis

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

Hambleton Primary Academy

Change in assumptions at 31 August 2022:

	Approximate monetary amount (£'000)
Discount rate +0.1%	(21)
Discount rate -0.1%	22
Mortality rate 1 year increase	17
Mortality rate 1 year decrease	(17)
CPI rate +0.1%	21
CPI rate -0.1%	(21)

Garstang Community Academy

Change in assumptions at 31 August 2022:

	Approximate monetary amount (£'000)
Discount rate +0.1%	(66)
Discount rate -0.1%	67
Mortality rate 1 year increase	71
Mortality rate 1 year decrease	(70)
CPI rate +0.1%	68
CPI rate -0.1%	(67)

Westcliff Primary Academy

Change in assumptions at 31 August 2022:

	Approximate monetary amount (£'000)
Discount rate +0.1%	(54)
Discount rate -0.1%	55
Mortality rate 1 year increase	46
Mortality rate 1 year decrease	(45)
CPI rate +0.1%	55
CPI rate -0.1%	(54)

FYLDE COAST ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022**

20 Pension and similar obligations	(Continued)
Montgomery Academy	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(115)
Discount rate -0.1%	118
Mortality rate 1 year increase	104
Mortality rate 1 year decrease	(102)
CPI rate +0.1%	118
CPI rate -0.1%	(115)
Unity Academy Blackpool	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(118)
Discount rate -0.1%	121
Mortality rate 1 year increase	99
Mortality rate 1 year decrease	(97)
CPI rate +0.1%	122
CPI rate -0.1%	(119)
Blackpool Aspire Academy	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(78)
Discount rate -0.1%	80
Mortality rate 1 year increase	81
Mortality rate 1 year decrease	(79)
CPI rate +0.1%	81
CPI rate -0.1%	(79)
Blackpool Gateway Academy	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(37)
Discount rate -0.1%	38
Mortality rate 1 year increase	30
Mortality rate 1 year decrease	(29)
CPI rate +0.1%	39
CPI rate -0.1%	(38)

FYLDE COAST ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022**

20 Pension and similar obligations	(Continued)
Mereside Primary Academy	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(52)
Discount rate -0.1%	53
Mortality rate 1 year increase	48
Mortality rate 1 year decrease	(47)
CPI rate +0.1%	53
CPI rate -0.1%	(52)
Westminster Primary Academy	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(52)
Discount rate -0.1%	53
Mortality rate 1 year increase	47
Mortality rate 1 year decrease	(46)
CPI rate +0.1%	54
CPI rate -0.1%	(53)
Armfield Academy	
	Approximate monetary amount (£'000)
Change in assumptions at 31 August 2022:	
Discount rate +0.1%	(19)
Discount rate -0.1%	20
Mortality rate 1 year increase	10
Mortality rate 1 year decrease	(10)
CPI rate +0.1%	19
CPI rate -0.1%	(18)

FYLDE COAST ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022****20 Pension and similar obligations****(Continued)**

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

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

	2022	2021
	Fair value	Fair value
	£'000	£'000
Equities	11,233	10,248
Bonds	1,047	1,077
Cash	381	427
Property	2,594	2,029
Other assets	8,543	6,516
Total market value of assets	<u>23,798</u>	<u>20,297</u>

The actual return on scheme assets was £1,605,000 (2021: £2,375,000).

Amount recognised in the statement of financial activities

	2022	2021
	£'000	£'000
Current service cost	3,221	2,573
Interest income	(362)	(305)
Interest cost	728	631
Administrative expenses	42	176
Total operating charge	<u>3,629</u>	<u>3,075</u>

Changes in the present value of defined benefit obligations

	2022	2021
	£'000	£'000
At 1 September 2021	42,794	34,894
Current service cost	3,221	2,573
Interest cost	728	631
Employee contributions	410	382
Actuarial (gain)/loss	(19,373)	4,373
Benefits paid	(204)	(197)
Effect of non-routine settlements and administration expenses	-	138
At 31 August 2022	<u>27,576</u>	<u>42,794</u>

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

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

	2022 £'000	2021 £'000
At 1 September 2021	20,297	16,071
Interest income	362	305
Actuarial gain	1,243	2,070
Employer contributions	1,732	1,704
Employee contributions	410	382
Benefits paid	(204)	(197)
Effect of non-routine settlements and administration expenses	(42)	(38)
At 31 August 2022	23,798	20,297

The pension value as at 31 August 2022 has been determined by the actuary which is now showing the following pension assets and liabilities as at the balance sheet date:

Hambleton Primary Academy – pension liability of £124,000
 Garstang Community Academy – pension liability of £260,000
 Westcliff Primary Academy – pension liability of £304,000
 Montgomery Academy – pension liability of £579,000
 Unity Academy Blackpool – pension liability of £1,354,000
 Blackpool Aspire Academy – pension liability of £577,000
 Blackpool Gateway Academy – pension liability of £51,000
 Mereside Primary Academy – pension liability of £495,000
 Westminster Primary Academy – pension liability of £41,000
 Armfield Academy – pension asset of £7,000

This results in the academy trust's consolidated position as showing a pension liability and pension fund deficit. In accordance with applicable accounting standards, the asset value in Armfield Academy has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of financial activities)		(2,935)	(1,291)
Adjusted for:			
Capital grants from DfE and other capital income		(1,187)	(1,495)
Investment income receivable	6	(2)	(2)
Defined benefit pension costs less contributions payable	20	1,531	1,045
Defined benefit pension scheme finance cost	20	366	326
Depreciation of tangible fixed assets		2,312	2,528
Loss on disposal of fixed assets		4	-
(Increase) in debtors		(189)	(5)
Increase in creditors		2,413	93
Net cash provided by operating activities		<u>2,313</u>	<u>1,199</u>

22 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	10,433	945	11,378
Loans falling due within one year	(53)	1	(52)
Loans falling due after more than one year	(237)	53	(184)
	<u>10,143</u>	<u>999</u>	<u>11,142</u>

23 Long-term commitments

Operating leases

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

	2022 £'000	2021 £'000
Amounts due within one year	48	82
Amounts due in two and five years	88	60
	<u>136</u>	<u>142</u>

24 Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

FYLDE COAST ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

25 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

