

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST

(A company limited by guarantee)

(FORMERLY THE SMALL SCHOOLS MULTI ACADEMY TRUST)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Reverend S Davies
D Grewer
C Shaw
C R Hopkins

Trustees

H L Bowman, Chair
P R Halifax, Vice Chair
S B Cockayne
M Havelock-Crozier
C S Gethin, Accounting Officer (appointed 1 September 2021)
C Humphries
J Smith
P J Lovern, Accounting Officer (Resigned 31 August 2021)
C Bradshaw-Smith

Company registered number

09613632

Company name

The Staffordshire Schools Multi Academy Trust

Principal and registered office

Richard Crosse C.E. Primary School, Crawley Lane, Kings Bromley, Burton On Trent, Staffordshire, DE13 7JE

Company secretary

S Cole

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Senior management team

J Bowman, Trust Business Operations Manager
S Cole, Trust Finance Manager
A Howard, Clerk to the Board
E Howard, Headteacher
N Jarrett, Headteacher
P J Lovern, CEO
J Wynn, Headteacher
R Mills, Headteacher

Independent auditor

Cooper Parry Group Limited, One Central Boulevard, Blythe Valley Business Park, Solihull, West Midlands,
B90 8BG

Bankers

Lloyds Bank plc, PO Box 1000, BX1 1LT

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

The Trust operates The Richard Crosse Church of England Primary School; The St. Mary's Church of England Primary School; and The Howard Primary School in Staffordshire. The Trust entered into a funding agreement with the Secretary of State for Education on 29 July 2015 for these schools.

Anson Church of England Primary School joined the Trust on 1st April 2019 and entered into a funding agreement with the Secretary of State for Education.

The Trusts' academies have a combined pupil capacity of 399 and had a roll of 370 in the October 2020 Census returns.

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 Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company is known as The Staffordshire Schools Multi Academy Trust.

Details of the Trustees who served throughout the year and to the date the approval of this report and the financial statements are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees, Anson Local Governing Committee and the Local Advisory Group from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

The management of the Academy Trust is the responsibility of the Directors, who are elected and co-opted under the terms of the Articles of Association.

The board should have the appropriate balance of skills, and knowledge of The Staffordshire Schools Multi Academy Trust, to enable them to discharge their respective duties and responsibilities effectively. The search for Board candidates will always be conducted, and appointments made, on merit against objective criteria, and with due regard for the benefits of diversity on the Board, including gender, race, age, sexual orientation and religion.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Directors are recruited by invitation from the Chair of the Board of Members, the Chair of the Board of Directors or the Chief Executive Officer, of persons known to the Academy Trust; who are able to benefit the Academy Trust by their knowledge and expertise. The Board of Members make the formal appointment for an individual to become a member of the Board of Directors having given due consideration to their ability to be able to fulfil at least two of the following criteria:

- Are sympathetic to the aims and objectives of a Christian foundation for the education of children;
- Have demonstrable links to a Christian denomination that is recognised by the UK Churches Together organisation;
- Have direct links with at least one of the communities served by the schools in the Trust.

And also one of the following criteria:

- Can demonstrate substantial experience that prepares them for the proposed role;
- Have never been disqualified from holding the role of company director;
- Are willing to be examined in these matters prior to appointment by at least providing a CV and, if required references

Trustees are appointed for a 4-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the Schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. All new Trustees also have the opportunity to undertake National Governor Association training and all Trustees receive regular National Governor Association updates. As there are normally only a very few new Trustee appointments each year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various external organisations as appropriate. We are members of the confederation of school trusts and disseminate weekly updates to Trustees as well as utilising training opportunities.

A bespoke governance development program is operated throughout the year which allows Trustees to meet informally as a team for training, so as to keep the Trustees updated on relevant developments impacting on their roles and responsibilities, and to contribute to the strategic leadership and direction of the Academy Trust.

Organisational Structure

The Board of Directors are responsible for the overall strategic direction of the Academy Trust. The Directors have a duty to act in the fulfilment of the Academy Trust objects. They set the strategic direction, and determine the policies and procedures of the Academy Trust, whilst holding each school within the Academy Trust to account.

The Directors will meet at least six times a year, and the Local Advisory Groups will report to meetings of the Board of Directors once per term.

The Howard Primary School, The Richard Crosse CE Primary School and The St. Mary's CE Primary School have a constituted Advisory Group known as the Local Advisory Group (LAG). The LAG is not a committee of the Board but is used to inform and support the work of the board. The Group will be supported by Headteachers and Directors, who will help to support the ethos of each school and the Christian distinctiveness of our Church schools.

For Anson Primary School, the Board of Trustees delegates a number of functions to the Local Governing Committee ('LGC'). The LGC reviews annual Academy Trust plans and budgets, monitors progress against target and OFSTED standards and oversees parent and community liaison. A representative of the main Board of Trustees sits on the LGC.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

The Board of Directors establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There is one Committee of the Board of Trustees as follows:

- 1) Finance, Audit and Risk Committee

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Directors:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the CEO

The Board of Directors and Local Advisory Groups do not exercise a managerial role. The leadership and management across the Academy Trust is delegated by the Board of Directors to the Chief Executive Officer and Senior Leadership Team of the Trust. The Senior Leadership Team are responsible at an executive level for implementing the policies laid down by the Board of Directors and reporting back to them via the Directors Board meetings. This includes actions concerning the budget, staffing, and school improvement.

The Chief Executive Officer is the Accounting Officer and has overall responsibility for the day to day financial management of the Multi Academy Trust and is responsible for the authorisation of spending within agreed budgets.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note 11 of the financial statements respectively.

The pay of the senior management team is reviewed annually by the Board of Trustees in line with the Academy Trust's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff and by reference to available information on similar roles in other similar sized Academy Trusts.

Trade union facility time

Relevant union officials

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

Percentage of time

	Number of Employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£000
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Related Parties and Other Connected Charities and Organisations

The Richard Crosse PTA, The St Mary's PTFA, The Howard Friends Association, Anson PTFA, The Colton United Trust and The Richard Crosse Foundation, are separate registered charities. The charities make donations and contributions to support particular projects and facilities of the Academy Trust and its pupils and are therefore treated as a related party of the Academy Trust for the purposes of the financial statements.

The Academy Trust's Trustees do not consider the charities to be a connected charity as the Trustees of the charity are not appointed by the Academy Trust or the Academy Trustees, are not directed by or accountable to the Trustees of the Academy Trust and as the charity's objects differ to and are wider than those of the Academy Trust. The details of the transactions between the Academy Trust and the charity are disclosed in note 29 to the financial statements.

The Members, Directors, Local Advisory Group members, and the Accounting Officer all complete a pecuniary interest declaration on an annual basis. This declaration sets out any relationship with the Academy Trust that is not directly related to their duties within these roles. Each individual is also required to declare a potential 'conflict of interest' if it arises between such declarations. Once a declaration has been made, the individual concerned takes no further part in any decision relating to the matter declared.

In respect of the current period, the Academy Trust has the following relationships:

- Has made payments to Principal HR Partner Limited, a company controlled by one of the Directors.
- Has employed Mrs Jacqui Bowman as Trust Business Operations Manager, a family member of Mrs Heather Bowman.
- Lichfield Diocesan Board, as members, have significant control over our church schools.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The strategic goals of the Trust are:

1) To provide high quality education provision for all schools within the Trust that improve the outcomes of all of our pupils. This will be achieved by providing appropriate and proportionate support and challenge to each school within the Trust. There will be a focus on:

- Providing intervention to support school improvement.
- Developing collaborative curriculum activities to support key skill development, increasing independence and resilience.
- Developing monitoring and evaluating strategies and procedures that will drive school improvement.
- Developing a high performing leadership team.
- Employing staff with specific skills and deploying them across all schools within the Trust.
- Allowing Headteachers to focus on the core function of teaching and learning.
- Continuous professional development for all staff.
- Supporting the procurement of best value central services.
- Collaboratively sharing and supporting best practice.

2) To provide the same high quality of education provision to pupils outside of the Trust to help achieve the government's aim of the same standard of education for all children. This will be achieved by:

- Developing a systematic marketing strategy and work with local stakeholders, Headteacher forums and the DfE to identify potential schools and academies that wish to join the Academy Trust.
- To continue to build capacity by creating a robust management structure which involves building a central team to support the Trust's Board of Directors.
- To continue to develop training based on the expertise within the Trust that can be delivered to other education providers.
- To continue to develop more effective means of collaboration with other education providers to share best practice and encourage greater innovation within the education sector.
- To continue to develop links with other schools through 'The Rugeley Leadership Collaboration', The Hart Academies, The Rawlett School, The National Forest Teaching School, The John Taylor MAT, SHeds and our own arrangements with individual and groups of local primary schools.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

OBJECTIVES AND ACTIVITIES (CONTINUED)

The Trust is committed to employment policies which follow best practice based on equal opportunities for all employees irrespective of sex, race, colour, disability, marital status or sexual orientation. The Trust gives full and fair consideration to applications for employment from disabled persons having regard to their particular aptitudes and abilities.

STRATEGIC REPORT & KPI's

The Academy Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The particular achievements and performance of the Academy Trust during the year ended 31 August 2021 were as follows:

Objective 1: School Standards

By the end of Key Stage 2 the results for all schools will exceed national averages of the expected standard in national tests. The average standardised score will exceed the national average and the progress measure will be in the top 20% of schools nationally, Q1.

Narrowing the Gap

Pupil premium funding will be used, in order to have the greatest impact, through a series of intervention strategies, to close the gap between disadvantaged children and those who are not disadvantaged.

Objective 2: Financial Standards

The Board, working in partnership with the Chief Executive Officer, Director of Business Operations and Headteachers will:

- ensure that resources, within a constrained financial environment, are used in the most effective way
- set balanced budgets
- ensure solvency and probity
- ensure compliance with statutory regulations

Objective 3: Human Resources

- Strengthen professional leadership by appointing outstanding leaders. All senior and middle leadership to be judged as outstanding against the Ofsted Framework.
- Hold Head Teachers accountable for high standards of education and safeguarding against clear bench marks and performance measures.
- All teaching graded consistently 'good' with at least 40% outstanding teaching in all schools within three years of opening.

Objective 4: Trust Estate

- Ensure all children are educated in a safe environment where their well-being and personal development are of the highest regard.

Objective 5: Trust Growth

To support the drive for outstanding schools ensuring that as a Trust we provide robust leadership in order to make improvements at a pace. We will have rigorous policies and procedures in place to deliver a 'World Class Education'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

OBJECTIVES AND ACTIVITIES (CONTINUED)

Objective 6: Governance

- Have a clear vision and ethos
- Provide strong strategic direction
- Ambitious and achieve strong governance that will support our schools, building effective partnerships with parents, communities, businesses, external MAT's/schools and other stakeholders

The Board reviews progress against these six strategic objectives through its reporting structure and will hold the Chief Executive Officer accountable for high standards against clear benchmarks and performance measures.

It is essential that our strategic planning is realised through effective operational delivery.

Public Benefit

The Academy Trust aims to advance for the public benefit education in Staffordshire, offering a broad curriculum and an excellent education environment for its pupils.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievement and performance

Key Performance Indicators

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2021, the balance of the unrestricted and restricted income reserves (excluding pension reserves) was £267,000 (2020: £204,000), which is after transfers of £Nil to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves policy section below.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers are also a key performance indicator. The pupil numbers at the most recent census were 367 which is an increase of over 1% from the previous census

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and / or Local Authority) for the year was 91.0% (2020: 90.5%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 82.0% (2020: 78.1%).

The particular achievements and performance of the Academy Trust during the year ended 31 August 2021 were as follows:

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Objectives		Key Performance Indicator	Outcome
School KPIs	Standards	<ol style="list-style-type: none"> 1. All MAT schools retain or improve their Ofsted Inspection rating. 2. All MAT Church schools retain or improve their SIAMs Inspection rating. 3. All MAT Schools perform as well as the top 20% of schools nationally at the end of KS2 2020, in Reading Writing, EGPS and Mathematics for attainment and progress. 4. Disadvantaged children perform as well as non-disadvantaged children. 5. Children, Parent and Staff surveys illustrate satisfaction ratings beyond national and local norms. 6. All MAT schools offer a broad, balanced and enriching curriculum. 7. All MAT schools achieve the 97% attendance target. 8. All schools are fully compliant with health and safety, safeguarding and other statutory requirements. 	<p>No school within the Trust was inspected in 2020/2021</p> <p>St. Mary's SIAM's inspection was deferred due to COVID-19</p> <p>SAT's were abandoned due to COVID-19</p> <p>Not measured due to COVID-19</p> <p>All COVID 19 questionnaires demonstrate that parents were pleased with the Trust/Schools response to COVID-19 and the Lockdown.</p> <p>The curriculum and attendance targets were compromised due to COVID-19 however attendance was broadly in line or above national at times of full opening.</p> <p>All schools remain fully compliant with health and safety, safeguarding and other statutory requirements.</p>

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial KPIs	<p>1. Ensure economy, efficiency and effectiveness over the use of Trust funds (value for money).</p> <p>2. Assurance received that annual financial accounts have been properly prepared and are free from material misstatements.</p> <p>3. Financial statements and Auditor's management letter submitted to ESFA by 31st December 2020.</p> <p>4. Annual Accounts Return submitted by deadline.</p> <p>5. Budget forecast return outturn submitted by deadline.</p> <p>6. Three Year budget forecast return submitted by deadline.</p> <p>7. Website is financially compliant.</p> <p>8. Successful internal and external audits with recommendations acted upon.</p> <p>9. To achieve and operate a balanced budget.</p> <p>10. Staffing costs capped at 80% of Trust Income.</p> <p>11. Improved profitability of services – Catering and Care Club.</p> <p>12. Alternative sources of funding are pursued according to skill set of staff.</p> <p>13. Sources of funding pursued for capital development projects.</p> <p>14. To achieve a PAN of 57 across the Trust for Reception Intake</p> <p>15. All nursery places at Richard Crosse and St. Mary's are taken.</p>	<p>Completed</p> <p>Achieved</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Compliant</p> <p>Successful Health and Safety, DPO and HR audits.</p> <p>Achieved</p> <p>Not achieved due to COVID-19</p> <p>Not achieved due to COVID-19</p> <p>Not achieved, CIF bids resubmitted and unsuccessful.</p> <p>Not achieved</p> <p>Not achieved</p>
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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

<p>Human Resource KPIs</p>	<ol style="list-style-type: none"> 1. All MAT schools fully staffed with high calibre staff. 2. Pupil to teacher/adult ratios below national levels. 3. Development opportunities made available for staff to work across schools in the MAT. 4. Comprehensive programme of training opportunities delivered to all staff. 5. NQT's and teachers in the early years of their careers to be supported by high calibre mentors. 6. Performance Management reviews demonstrate affective leadership and management and teaching and learning. 7. All HR Policies are compliant with employment law and are reviewed regularly in line with Policy Review Schedule. 8. The MAT employs specialists in certain areas to ensure high quality of provision. 9. Succession planning is in place for all key personnel. 	<p>Achieved</p> <p>Achieved but hindered by COVID-19</p> <p>Not achieved due to COVID-19</p> <p>Achieved despite COVID-19. Online training opportunities were utilised.</p> <p>Achieved</p> <p>Performance Management was compromised this year due to COVID-19</p> <p>Achieved</p> <p>Compromised due to COVID - 19</p> <p>Achieved (but this needs to be reviewed in order to build resilience in our system).</p>
<p>Trust Estate KPIs</p>	<ol style="list-style-type: none"> 1. All MAT schools are maintained to a high standard. 2. CIF funding is obtained to support identified shortfalls in the school estate. 3. Nursery provision/classrooms are developed at all schools within the Trust to support financial sustainability and to ensure that schools are full to capacity. 4. All MAT schools are energy efficient. 5. All statutory checks are completed on a timely basis. 6. All MAT kitchens achieve Environmental Health 5 Star ratings. 	<p>Achieved</p> <p>Not achieved</p> <p>Review The Howard.</p> <p>St Mary's SALIX funding,</p> <p>Achieved</p> <p>Achieved</p>
<p>Trust Growth KPIs</p>	<ol style="list-style-type: none"> 1. At least one school joins the Trust each year. 2. The Trust develops its trading strategy by increasing the level of paid support to other schools and organisations. 3. Improved marketing of the Trust. 4. Strong MAT office supports MAT growth. 	<p>Not achieved due to COVID-19</p> <p>Achieved.</p>

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Governance KPIs	<ol style="list-style-type: none"> 1. Governance provides the necessary rigour, challenge and support to allow MAT schools to thrive. 2. Members and Directors have the skills, knowledge and experiences to run the Multi Academy Trust. They ensure that the Trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the Academies Financial Handbook. 3. Distinction is achieved between Members and Directors roles within the MAT as enshrined in documentation. 4. All members and Trustees understand their duties as company directors and charity trustees as laid out in the Companies Act 2006 and Charity Commission guidance as exemplified in a skills audit. 5. All Members and Directors attend at least 60% of planned meetings in order to fulfil their duties. 6. All Directors have a named area of responsibility. 7. There is a clear plan for succession. 8. SM,TH and RC have a full compliment for their Local Advisory Group. 9. Anson has a full compliment for their Local Governing Committee. 10. All schools new to the Trust have properly constituted Local Governing Body, with an appropriate set of skills and experiences to undertake their defined responsibilities. 	All achieved despite COVID-19.
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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Academy Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning.

Due to COVID there are no externally verified performance indicators and achievement as there are no examination results or OFSTED visits.

COVID-19

- Due to COVID there are no externally verified performance indicators and achievement as there are no examination results or OFSTED visits.
- Some monitoring and review continued to hold schools to account for standards but, it was not the full suite of work.
- Whilst schools were open fully in September 2020, classes were in bubbles, no work was conducted across each individual school, or across the trust. Enrichment was less easy to deliver as no trips or visitors could attend. Some enrichment was delivered virtually.
- Worship and assemblies continued virtually.
- From January 2021 schools were again closed to all but keyworkers and reopened in the middle of Spring 2. The rest of the children were taught remotely by the class teachers delivering a variety of live lessons, pre-recorded lessons and opportunities to connect. Wellbeing was closely monitored and supported.
- All Key workers from The Howard were taught at Richard Crosse as a hub so the Howard was closed.
- All face to face meetings were cancelled and held virtually throughout until September 2021.
- Prior to changes in expectations at the end of the Summer 2021, staff who were clinically extremely vulnerable were deployed from home.
- There was an impact on the Parent and Teacher Associations to raise funds as all face to face activities were cancelled.
- Positively we escalated out IT provision and google classroom project.
- CPD was impacted in general including training for the Trust board.

Promoting the Success of the Academy Trust

The Trustees have acted in the way which they consider, in good faith, promotes the success of the Academy Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

Our educational business relationships and community

With a highly committed and dedicated workforce, the Academy Trust takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Academy Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Academy Trust's overall activities and educational performance.

As an educational focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Trustees' report above provide full details of the impact of our activities and our achievements for the year.

With respect to suppliers, the Academy Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

The Academy Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO2 emissions throughout its buildings, facilities and operations.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Our stakeholders

In addition to our pupils, parents, suppliers and wider local community, the Trustees also recognise the importance of their relationship with the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), as principal funders, regulators and stakeholders.

The Trustees are committed to the effective engagement with the DfE and the ESFA (and their representatives) and recognise that its success depends on the Trustees and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Academy Trust's funding agreement and the Academies Financial Handbook.

Our people

The Academy Trust's key asset is its people. It employs over 73 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Academy Trust encourages the involvement of all employees in decision making processes that impact on them directly and further details on our engagement with our people is detailed in the "Engagement".

Our Members

The Trustees are committed and openly engaged with our Members through regular and effective dialogue with them, including an Annual General Meeting. The Members [and their representatives] are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

Maintaining a reputation for high standards

The Academy Trust has been in existence for 6 years, and is committed to continual improvement, which it achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The Academy Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers.

Please note, externally verifiable outcomes such as examinations and inspections are not available due to Covid -19.

STRATEGIC REPORT

FINANCIAL REVIEW

For the year ended 31 August 2021, the Academy Trust's total income (excluding capital grants) was £2,187,000 (2020: £2,124,000) while the total expenditure (excluding depreciation, spend on Diocesan Improvements and LGPS FRS102 pension cost charges) was £2,125,000 (2020: £2,083,000), resulting in a net operating surplus for the year of £62,000 (2020: £61,000).

The balance of reserves at 31 August 2020, excluding the restricted fixed asset funds and LGPS liability fund was £267,000 (2020: £204,000).

The net book value of fixed assets at 31 August 2021 were £986,000. The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

Included within the Academy's balance sheet at year end is a defined benefit pension scheme liability of £1,812,000 (2020: £1,328,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Academies. Further details regarding the deficit in the LGPS at 31 August 2021 are set out in note 26 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, CEO, managers, budget holders and other staff, as well as the delegated authorities for spending.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of operating reserves should be approximately 2 months of staffing costs]. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc.

The Academy Trust's current level of operating reserves at 31 August 2021 is £267,000 (2020: £204,000), which is made up of restricted income reserves of £44,000 (2020: £Nil) and unrestricted funds of £223,000 (2020: £204,000).

Although the current level of operating reserves is below the target level identified above, the Trustees continue to look at and evaluate strategies for raising additional income whilst also reviewing key areas of operational expenditure so as to ensure the targeted reserves can be achieved in future years.

The value of the restricted fixed asset fund at 31 August 2021 is £1,066,000(2020: £1,088,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a deficit balance at 31 August 2021 of £1,812,000, which represents the deficit in the LGPS at the balance sheet date. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

Investment Policy

The Trust will only invest in low risk and easily accessible funds with a withdrawal notice no more than 12 weeks the Trust intends to build up working capital and invested cash balances. During the year the funds have been retained in the Trust current account due to the low interest rates.

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 within the financial statements.

Fundraising

The Academy Trust raises funds for specific projects that will enhance the learning experience and environment for existing and future students, where funds cannot be accessed via existing channels such as government education funding.

Fundraising is primarily undertaken by staff or parents, no professional fundraisers or commercial participators work with the Trust currently. Fundraising is undertaken in line with the Fundraising Regulator's Code of Fundraising Practice and is monitored by the central finance function of the Trust. The Academy Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate. No complaints have been received in respect of fundraising activities, the general complaints policy of the Trust would be applicable if so. COVID-19 has impacted on the ability of the Parent & Teacher Associations to raise funds as all face to face activities were cancelled.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (CONTINUED)

PRINCIPLE RISKS AND UNCERTAINTY

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. Where significant financial risk still remains, the Trustees have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust are as follows:

Educational

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across EYFS, Key Stage 1 and Key Stage 2. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA (and Local Authority). In the year, approximately 98% of the Academy Trust's income (excluding amounts transferred on conversion from the Local Authority or amounts transferred from other academies joining the Trust) was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light continuing changes in to the National Funding Formula for schools.

Continuing increases in employment costs, including pension costs association with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balance budgets in the future.

The Trustees examine the financial health of the Academy Trust formally every month, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance and Resources Committee meetings.

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (CONTINUED)

PRINCIPLE RISKS AND UNCERTAINTY (CONTINUED)

Fraud and mismanagement of funds

The Academy Trust has engaged Cooper Parry to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

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 2021 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

As the Academy Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

PLANS FOR FUTURE PERIODS

The Academy Trust strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it is into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Academy Trust's plans for future periods are:

- To improve the use of technology in all schools across the Trust. The IT infrastructure in all schools is outdated and not fit for purpose. The schools and MAT offices rely heavily on IT and are moving to using more cloud based services. It is the Trusts ambition that by October 2022 all children in Key Stage 2 will have access to their own personal ChromeBook. In order for this to be achieved, WiFi in all schools needs to be improved. The Board has agreed to commit reserves to support this. This improvement will support the Trust's Remote Learning Policy and will improve learning at home should the restrictions of COVID-19 remain.
- To continue to develop middle and senior leadership in order to further teaching and learning and to continue to maintain and further improve outcomes for children.
- To raise pupil numbers and ensure that the admissions to the Reception classes reach the Planned Admission Number.
- To grow the Trust as appropriate.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware:

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

AUDITORS

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 10 December 2021 and signed on its behalf by:

DocuSigned by:

Heather Bowman

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H L Bowman
Chair of Trustees

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
H L Bowman, Chair	8	8
C Bradshaw-Smith	8	8
S B Cockayne	6	8
P R Halifax, Vice Chair	8	8
M Havelock-Crozier	5	8
C Humphries	7	8
J Smith	0	8
P Lovern, Accounting Officer	8	8

The Board of Trustees reviewed the Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust.

The Board continued to hold meetings as planned during the COVID-19 lockdown, however from the 23rd March 2020, these meetings were held virtually using GoogleMeet. The meetings were structured in the same way as face to face meetings.

COVID-19 impacted negatively on the level of training offered to members of the Board.

The Finance, Audit and Risk Committee is a sub-Committee of the Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety of the Academy Trust. This committee also acts as the Academy Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Members of the Finance, Audit and Risk Committee met formally 3 times during the financial year.

Trustee	Meetings attended	Out of a possible
H Bowman	3	3
C Bradshaw-Smith	3	3
S Cockayne	2	3
P Halifax	3	3
M Havelock-Crozier	1	3
C Humphries	2	3
J Smith	0	3
P Lovern	2	3

The key issues dealt with by the Finance and Risk Committee during the year was the review of the Academy Trust's 3 year financial forecasts and the actions required to address the reduced funding expected over this period. The Committee also looked at staffing, internal assurance, adoption of a scorecard to measure performance, health and safety, improvements to the school estates, improvements to IT and response to COVID-19.

The Audit Committee is also a sub-Committee of the Board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

Review of value for money

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

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

- combining the cost of purchases across all schools
- sharing of staff across all schools
- sharing of resources across all schools
- shared training sessions
- purchased of photocopiers outright at ¾ of schools which resulted in a saving
- changed grounds maintenance providers who provided a better service for the costs.

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 ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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 The Staffordshire Schools Multi Academy Trust for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

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 from 1 September 2020 to 31 August 2021 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 Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties;
- identification and management of risks

The board of trustees has decided to buy-in an internal audit service from Elite Health and Safety, PHRP for a review of the role of DPO and a HR review.

As detailed above, the Trustees have previously appointed the external auditors to undertake the internal scrutiny services for the Academy Trust. As a result of the changes introduced by the Financial Reporting Council's revised Ethical Standard for Auditors, the Trustees, via the Finance, Audit and Risk Committee, will be appointing another organisation to undertake the internal scrutiny work for the Academy Trust for the 2020/21 academic year onwards

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

- review of and testing of HR processes and procedures.
- review of and testing of Data protection processes and procedures.
- review of and testing of Health and Safety systems and procedures

On a termly basis, depending on the area being reviewed, the reviewer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities 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.

The reviewers have delivered their program of work during the year ended 31 August 2020 as planned. While no significant internal control weaknesses were identified from the work completed, the Trustees and management have developed an action plan to continue to strengthen and improve internal controls over the next 12 months.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

Approved by order of the members of the board of trustees on 10 December 2021 and signed on their behalf by:

DocuSigned by:
Heather Bowman
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H L Bowman
Chair of Trustees

DocuSigned by:
C S Gethin
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C S Gethin
Accounting Officer

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Staffordshire Schools Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with 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 Academies Financial Handbook 2020.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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.

DocuSigned by:

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C S Gethin
Accounting Officer
Date: 10 December 2021

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 10 December 2021 and signed on its behalf by:

DocuSigned by:

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H L Bowman
Chair of Trustees

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST

Opinion

We have audited the financial statements of The Staffordshire Schools Multi Academy Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 academy trust or to cease operations, or have no realistic alternative but to do so.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Financial Handbook 2020, the Academies Accounts Direction 2020 to 2021, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST (CONTINUED)

Use of our report

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



Nicholas Simkins FCA (senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

Date: 15 December 2021

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 26 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Staffordshire Schools Multi Academy Trust during the year 1 September 2020 to 31 August 2021 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 The Staffordshire Schools Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Staffordshire Schools Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Staffordshire Schools Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Staffordshire Schools Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Staffordshire Schools Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 July 2015 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor

Date: 15 December 2021

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:					
Donations and capital grants	3	-	-	20	20
Other trading activities	5	87	-	-	87
Charitable activities	4	42	2,058	-	2,100
Total income	<u>129</u>	<u>2,058</u>	<u>20</u>	<u>2,207</u>	<u>2,144</u>
Expenditure on:					
Raising funds	111	-	-	111	89
Charitable activities	7	-	2,143	42	2,185
Total expenditure	<u>111</u>	<u>2,143</u>	<u>42</u>	<u>2,296</u>	<u>2,247</u>
Net movement in funds before other recognised gains/(losses)	18	(85)	(22)	(89)	(103)
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	26	-	(356)	-	(356)
Net movement in funds	<u>18</u>	<u>(441)</u>	<u>(22)</u>	<u>(445)</u>	<u>(133)</u>
Reconciliation of funds:					
Total funds brought forward	205	(1,328)	1,088	(35)	98
Net movement in funds	18	(441)	(22)	(445)	(133)
Total funds carried forward	<u>223</u>	<u>(1,769)</u>	<u>1,066</u>	<u>(480)</u>	<u>(35)</u>

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

The notes on pages 35 to 60 form part of these financial statements.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 09613632

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	13	-	-
Tangible assets	14	986	1,017
		<u>986</u>	<u>1,017</u>
Current assets			
Stocks	15	-	1
Debtors	16	57	40
Cash at bank and in hand		473	418
		<u>530</u>	<u>459</u>
Creditors: amounts falling due within one year	17	(167)	(174)
		<u>363</u>	<u>285</u>
Net current assets		<u>363</u>	<u>285</u>
Total assets less current liabilities		<u>1,349</u>	<u>1,302</u>
Creditors: amounts falling due after more than one year	18	(16)	(9)
Net assets excluding pension liability		<u>1,333</u>	<u>1,293</u>
Defined benefit pension scheme liability	26	(1,812)	(1,328)
Total net liabilities		<u>(479)</u>	<u>(35)</u>

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 09613632

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	1,066	1,088
Restricted income funds	19	43	-
Pension reserve	19	(1,812)	(1,328)
Total restricted funds	19	(703)	(240)
Unrestricted income funds	19	224	205
Total funds		(479)	(35)

The financial statements on pages 31 to 60 were approved by the trustees, and authorised for issue on 10 December 2021 and are signed on their behalf, by:

DocuSigned by:

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H L Bowman
 (Chair of Trustees)

The notes on pages 35 to 60 form part of these financial statements.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	37	24
Cash flows from investing activities	23	9	(24)
Cash flows from financing activities	22	9	(2)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		55	(2)
Cash and cash equivalents at the beginning of the year		418	420
Cash and cash equivalents at the end of the year	24, 25	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 35 to 60 from part of these financial statements

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees of the Academy Trust have prepared the financial statements on a going concern basis. Based on the Trust's operating and cash flow forecasts, they believe the Trust has adequate cash to continue to fund the the activities of the Trust for the next 12 months from the date of approval of the financial statements.

The Trustees also consider that net current assets balance is a more accurate reflection of the financial health of the Trust which has increased to £363,000 from £285,000 in the previous year.

The Balance Sheet is in a net liability position of £479,000 (2020: £35,000) due to the inclusion of a defined benefit pension scheme deficit which is ultimately guaranteed by the Department of Education.

1.3 Income

All income is recognised once the academy trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable 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 incorporating Income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

• **Donations**

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

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

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

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

- **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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Intangible fixed assets and amortisation

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Purchased computer software - 5 years

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold land	- 125 years
Leasehold buildings	- 50 years
Leasehold improvements	- 10 years
Furniture and fixtures	- 5 years

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

The Academy Trust occupies some land and buildings which are provided to it and owned by:

The St. Mary's Church of England Primary School

The Official Trustees of Charity Lands (the trustee of the charity known as Colton United Schools) and Colton United Schools of St Marys House (the Site Trustees).

The Richard Crosse Church of England Primary School

The Official Trustees of Charity Lands (the trustee of the charity known as The Richard Crosse Foundation) and the Diocese of Lichfield, St Mary's House (the Site Trustees).

Anson Church of England Primary School

The Official Trustees of Charity Lands and the Diocese of Lichfield, St Mary's House (the Site Trustees).

The Academy Trust occupies these lands and buildings under the terms of a Supplemental Agreements between the Official Trustees of Charity Lands, the Site Trustees and the Academy Trust. This Supplemental Agreements, which amount to a mere licence, provides the Academy Trust with the right to use the lands and buildings for an indefinite period, subject to a 2-year termination notice period. Having considered the fact that the Academy Trust occupies the lands and buildings by a mere licence, which transfers to the Academy Trust no rights or control over the sites save that of occupying it at the will of the Site Trustees under the terms of the relevant site trust, the Trustees have concluded that the value of the lands and buildings occupied by the Academy Trust will not be recognised on the balance sheet of the Academy Trust.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and provisions

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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.13 Taxation

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

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

1.14 Pensions

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

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

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

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

1.15 Fund accounting

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

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

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

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement:

The classification of expenditure between restricted and unrestricted is deemed as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

The academy trust occupies land and buildings held under Church supplemental agreements. The freehold titles to this property are held by The Richard Crosse School Foundation, The Official Trustee of Charity Lands (the trustee of the charity known as Colton United Schools) and Colton United Schools of St Marys House. Under Church supplemental agreements the academy trust is permitted occupancy of the premises with a notice period of two years, and no rental is payable under this arrangement. The Trustees do not consider that the academy trust is able to exercise control over the property and therefore the property does not meet the definition of an asset of the academy trust and has not been recognised as a fixed asset in these financial statements. Accordingly, improvements to property held under Church supplemental agreements are expensed in the year cost is incurred. The market value of the donated facilities has not been recognised in the financial statements as the Trustees consider that no reliable measure is available.

The Trustees have considered the treatment of catering expenditure and concluded that the element that is not funded by the Universal Free School Meal Restricted Grant should be categorised as an unrestricted cost.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Donations	-	-	-	5
Capital Grants	-	20	20	20
Total 2021	<u>-</u>	<u>20</u>	<u>20</u>	<u>25</u>
Total 2020	<u>5</u>	<u>20</u>	<u>25</u>	

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the academy's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General annual grant (GAG)	-	1,609	1,609	1,585
Other DfE/ESFA grants				
Pupil premium	-	47	47	57
UIFSM	-	57	57	54
Teachers pay grant	-	20	20	20
PE Sport grant	-	67	67	67
Rates	-	9	9	2
Teachers pension grant	-	55	55	56
Other DfE Group grants	-	14	14	-
	-	-	1,878	1,841
Other Government grants				
Local authority SEN funding	-	79	79	33
Local authority Early Years funding	-	72	72	65
Other government grants	-	1	1	-
	-	152	152	98
Other income from the academy trust's academy's educational operations	42	-	42	48
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	28	28	-
	-	28	28	-
COVID-19 additional funding (non- DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	5
	-	-	-	5
Total 2021	42	2,058	2,100	1,992
Total 2020	48	1,944	1,992	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £28,160 of funding for catch-up premium and costs incurred in respect of this funding totalled £28,160, with the remaining £Nil to be spent in 2021/22

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from ancillary trading activities	87	87	127
	<u>87</u>	<u>87</u>	<u>127</u>
Total 2020	<u>127</u>	<u>127</u>	

6. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
Expenditure on fundraising trading activities:					
Direct costs	100	-	11	111	89
Academy's Educational Operations:					
Direct costs	1,422	42	78	1,542	1,538
Allocated support costs	352	112	179	643	620
	<u>1,874</u>	<u>154</u>	<u>268</u>	<u>2,296</u>	<u>2,247</u>
Total 2020	<u>1,755</u>	<u>156</u>	<u>336</u>	<u>2,247</u>	

Of the above expenditure £111,000 (2020: £89,000) was attributable to unrestricted funds, £2,151,455 (2020: £2,107,000) was attributable to restricted funds and £42,000 (2020: £51,000) was attributable to restricted fixed asset funds.

THE STAFFORDSHIRE SCHOOLS MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Academy's educational operations	1,542	643	2,185	2,158
Total 2021	<u>1,542</u>	<u>643</u>	<u>2,185</u>	<u>2,158</u>
Total 2020	<u>1,538</u>	<u>620</u>	<u>2,158</u>	

Analysis of support costs

	Total funds 2021 £000	Total funds 2020 £000
Net pension interest cost	23	22
Staff costs	344	300
Depreciation	9	10
Technology costs	41	59
Premises costs	123	104
Other support costs	90	115
Governance costs	13	10
Total 2021	<u>643</u>	<u>620</u>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £000	2020 £000
Operating lease rentals	1	2
Depreciation of tangible fixed assets	42	49
Amortisation of intangible assets	-	3
Fees paid to auditor for:		
- audit	8	8
- other services	3	2
	<u>54</u>	<u>64</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£000	£000
Wages and salaries	1,327	1,253
Social security costs	111	106
Pension costs	428	396
	<hr/>	<hr/>
	1,866	1,755
Agency staff costs	8	-
	<hr/>	<hr/>
	<u>1,874</u>	<u>1,755</u>

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	19	21
Administration and support	39	38
Management	7	7
	<hr/>	<hr/>
	65	66
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £70,001 - £80,000	-	1
	-	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £427,273 (2020: £480,139).

10. Central services

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

- Management and financial services
- Educational services
- Catering services
- Centralised insurance, IT licensing and transport costs

The academy trust charges for these services on the following basis:

Pupil numbers per the 2020 autumn census.

The actual amounts charged during the year were as follows:

	2021 £000	2020 £000
The Richard Crosse C E Primary School	41	73
The St. Mary's C E Primary School	41	73
The Howard Primary School	41	73
Anson C E Primary School	23	21
Total	146	240

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11. Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

		2021	2020
		£000	£000
P J Lovern, Accounting Officer (resigned 31/08/2021)	Remuneration	55 - 60	70 - 75
	Pension contributions paid	10 - 15	15 - 20

During the year ended 31 August 2021, no trustee expenses have been incurred (2020 - £NIL).

12. Trustees' and Officers' insurance

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

13. Intangible assets

	Computer software £000
Cost	
At 1 September 2020	13
At 31 August 2021	13
Amortisation	
At 1 September 2020	13
At 31 August 2021	13
Net book value	
At 31 August 2021	-
At 31 August 2020	-

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14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2020	991	133	53	50	1,227
Additions	-	-	11	-	11
At 31 August 2021	991	133	64	50	1,238
Depreciation					
At 1 September 2020	91	52	41	25	209
Charge for the year	20	9	9	5	43
At 31 August 2021	111	61	50	30	252
Net book value					
At 31 August 2021	880	72	14	20	986
At 31 August 2020	900	81	11	25	1,017

15. Stocks

	2021 £000	2020 £000
School uniform	-	1

16. Debtors

	2021 £000	2020 £000
Trade debtors	3	2
Prepayments and accrued income	41	22
Tax recoverable	13	16
	57	40

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Loans	3	2
Trade creditors	25	21
Other taxation and social security	27	27
Other creditors	33	29
Accruals and deferred income	79	95
	167	174
	167	174
	2021	2020
	£000	£000
Deferred Income		
Deferred income at 1 September 2020	34	38
Resources deferred during the year	39	34
Amounts released from previous periods	(34)	(38)
	39	34
Deferred income at 31 August 2019	39	34

Deferred income at the balance sheet date is represented by Universal Infant Free School Meals (UIFSM), Music tuition and lettings income received in advance which relate to activities that will be undertaken during the year ending 31 August 2022.

18. Creditors: Amounts falling due after more than one year

	2021	2020
	£000	£000
Loans	16	9
	16	9

Included within loans is a Salix Energy Efficiency Funding loan of £19,882 (2020: £11,056) for LED lighting for Anson C of E Primary School and Richard Crosse C of E School

The loan is provided with zero interest, payable over 8 years.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds					
General Fund	205	130	(111)	-	224
Restricted general funds					
General annual grant (GAG)	-	1,609	(1,566)	-	43
Pupil premium	-	47	(47)	-	-
Covid catch up premium	-	28	(28)	-	-
Other DfE / ESFA grants	-	222	(222)	-	-
Local authority grants	-	152	(152)	-	-
Pension reserve	(1,328)	-	(128)	(356)	(1,812)
	(1,328)	2,058	(2,143)	(356)	(1,769)
Restricted fixed asset funds					
Transfer on conversion	858	-	-	-	858
DfE / ESFA capital grants	217	20	(42)	-	195
Other capital expenditure	13	-	-	-	13
	1,088	20	(42)	-	1,066
Total Restricted funds	(240)	2,078	(2,185)	(356)	(703)
Total funds	(35)	2,208	(2,296)	(356)	(479)

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

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted funds

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Trust's funding agreement.

Other grants and income, which include other ESFA / DfE grants (including Universal Infant Free School Meal grants, Teacher Pay grants and Teachers' Pension grants), Local Authority funding, and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Restricted fixed asset fund

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Fund	152	180	(89)	(38)	-	205
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds						
General annual grant (GAG)	-	1,596	(1,634)	38	-	-
Start up grant	12	-	(12)	-	-	-
Other DfE/ESFA grants	-	57	(57)	-	-	-
Other restricted funds	-	291	(291)	-	-	-
Pension reserve	(1,185)	-	(113)	-	(30)	(1,328)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(1,173)	1,944	(2,107)	38	(30)	(1,328)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds						
Transfer on conversion	909	-	(51)	-	-	858
DfE / ESFA capital grants	197	20	-	-	-	217
Other capital expenditure	13	-	-	-	-	13
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,119	20	(51)	-	-	1,088
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted funds	(54)	1,964	(2,158)	38	(30)	(240)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	98	2,144	(2,247)	-	(30)	(35)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£000	£000
The Richard Crosse C E Primary School	212	180
The St. Mary's C E Primary School	2	(19)
The Howard Primary School	2	1
Anson C E Primary School	41	31
Central Services	10	12
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	267	205
Restricted fixed asset fund	1,066	1,088
Pension reserve	(1,812)	(1,328)
	<hr/>	<hr/>
Total	(479)	(35)
	<hr/> <hr/>	<hr/> <hr/>

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Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
The Richard Crosse C E Primary School	393	84	23	70	570	537
The St. Mary's C E Primary School	340	65	18	59	482	453
The Howard Primary School	231	37	13	69	350	324
Anson C E Primary School	379	88	21	74	562	507
Central Services	82	198	2	8	290	375
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	1,425	472	77	280	2,254	2,196
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	986	986
Current assets	234	216	80	530
Creditors due within one year	(10)	(157)	-	(167)
Creditors due in more than one year	-	(16)	-	(16)
Provisions for liabilities and charges	-	(1,812)	-	(1,812)
Total	224	(1,769)	1,066	(479)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	1,017	1,017
Current assets	205	183	71	459
Creditors due within one year	-	(174)	-	(174)
Creditors due in more than one year	-	(9)	-	(9)
Provisions for liabilities and charges	-	(1,328)	-	(1,328)
Total	205	(1,328)	1,088	(35)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021	2020
	£000	£000
Net expenditure for the year (as per statement of financial activities)	(89)	(103)
	<hr/>	<hr/>
Adjustments for:		
Amortisation	-	3
Depreciation	43	49
Capital grants from DfE and other capital income	(20)	(20)
Defined benefit pension scheme cost less contributions payable	105	91
Defined benefit pension scheme finance cost	23	22
Decrease in stocks	1	1
(Increase)/decrease in debtors	(18)	9
Decrease in creditors	(8)	(28)
	<hr/>	<hr/>
Net cash provided by operating activities	37	24
	<hr/> <hr/>	<hr/> <hr/>

22. Cash flows from financing activities

	2021	2020
	£000	£000
Repayments of borrowing	(2)	(2)
SEEF loan	11	-
	<hr/>	<hr/>
Net cash provided by/(used in) financing activities	9	(2)
	<hr/> <hr/>	<hr/> <hr/>

23. Cash flows from investing activities

	2021	2020
	£000	£000
Purchase of tangible fixed assets	(11)	(44)
Capital grants from DfE Group	20	20
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	9	(24)
	<hr/> <hr/>	<hr/> <hr/>

24. Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand and at bank	473	418
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	418	55	473
Debt due within 1 year	(2)	(1)	(3)
Debt due after 1 year	(9)	(7)	(16)
	<u>407</u>	<u>47</u>	<u>454</u>

26. Pension commitments

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Staffordshire 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 of the LGPS 31 March 2019.

Contributions amounting to £22,000 were payable to the schemes at 31 August 2021 (2020 - £32,000) and are included within creditors.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £200,071 (2020 - £199,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £149,000 (2020 - £120,000), of which employer's contributions totalled £122,000 (2020 - £98,000) and employees' contributions totalled £ 27,000 (2020 - £22,000). The agreed contribution rates for future years are 20.2 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.30	2.60
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.65	1.70

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

	2021	2020
	Years	Years
Retiring today		
Males	21.4	21.2
Females	24.0	23.6
Retiring in 20 years		
Males	22.5	22.1
Females	25.7	25.0

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate -0.5%	435	333
CPI rate +0.5%	390	296
Salary increase rate +0.5%	35	31

Share of scheme assets

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

	2021	2020
	£000	£000
Equities	1,091	782
Bonds	292	230
Property	108	92
Cash and other liquid assets	46	46
Total market value of assets	1,537	1,150

The actual return on scheme assets was £249,000 (2020 - £26,000).

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26. Pension commitments (continued)

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

	2021	2020
	£000	£000
Current service cost	(227)	(189)
Interest income	21	20
Interest cost	(44)	(42)
Total amount recognised in the Statement of Financial Activities	<u>(250)</u>	<u>(211)</u>

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

	2021	2020
	£000	£000
At 1 September	2,478	2,251
Current service cost	227	189
Interest cost	44	42
Employee contributions	-	22
Actuarial losses/(gains)	584	(16)
Benefits paid	-	(10)
At 31 August	<u>3,333</u>	<u>2,478</u>

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

	2021	2020
	£000	£000
At 1 September	1,150	1,066
Interest income	21	20
Actuarial gains/(losses)	228	(46)
Employer contributions	122	98
Employee contributions	27	22
Benefits paid	12	10
At 31 August	<u>1,536</u>	<u>1,150</u>

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NOTES TO THE FINANCIAL STATEMENTS
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27. Operating lease commitments

At 31 August 2021 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Amounts payable		
Within 1 year	1	2

28. Members' liability

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

29. Related party transactions

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

An amount of £3,278 (2020: £8,122) was spent with Principal HR Partner Limited. The Director of this business is also one of the Trustees of The Staffordshire Schools Multi Academy Trust. The amount outstanding is £317 (2020: £264). In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2020. The element above £2,500 in the previous year was provided 'at no more than cost' and Principal HR Partner Limited provided a statement of assurance confirming this.

During the year the Trust paid employee benefits (including employer pension contributions) to close family members of key management personnel and trustees for their services to the Trust of £32,425 (2020: £24,704).