

Company Registration Number: 10357163 (England & Wales)



THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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THE MAST ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Charles Martyn Jones (appointed 7 June 2022) Peter Laurence Philip Marshall Rosamond Roughton Sue Lord
Trustees	Philip Marshall, Chair of Trustees Andrew Williams (resigned 26 February 2022) Anthony Wilkinson David Philip Oldfield David Webster Christine Dorcas Atkinson Elizabeth Anne Godman Gail Howe (resigned 19 October 2022) James Timothy Wade Martyn Jones (resigned 6 May 2022) Nicola Thorpe (resigned 25 April 2022) Richard Sowerby
Company registered number	10357163
Company name	The Mast Academy Trust
Principal and registered office	Scissett Middle School Wakefield Road Scissett West Yorkshire HD8 9JX
Company secretary	Schofield Sweeney Church Bank House Church Bank Bradford BD1 4DY
Chief executive officer	Natasha Greenough
Senior management team	Natasha Greenough, Chief Executive Officer Jason Field, Chief Financial Officer Donna Waddington, Headteacher Birdsedge Chris Taylor, Headteacher Kirkburton Ifsheen Akhtar, Headteacher Shelley (appointed 1 April 2022) Ann-Marie Large, Headteacher Scissett Debra Knowles, Headteacher Shelley (resigned 31 March 2022)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditors	BHP LLP New Chartford House Centurion Way Cleckheaton BD19 3QB
Bankers	Lloyds Bank Huddersfield Branch PO Box 1000 BX1 1LT
Solicitors	Schofield Sweeney LLP Church Bank House Church Bank Bradford BD1 4DY

THE MAST ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

The Mast Academy Trust operates 4 academies in the West Yorkshire area. Its academies have a combined pupil capacity of 1,362 and had a roll of 1,353 in the school census on 7 October 2022.

Structure, governance and management

a. Constitution

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

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

b. 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.

c. Trustees' indemnities

The academy trust has purchased cover to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. This is provided under the DfE's Risk Protection Arrangement.

d. Method of recruitment and appointment or election of Trustees

Trustees are appointed from a wide range of backgrounds and skills to fulfil the requirements of the competency framework for governance and also the requirement of the articles of association. The Mast Academy Trust works in its local community and with organisations such as Academy Ambassadors to try and find new Trustees that have skills and knowledge to strengthen the Trust.

Appointments are proposed and approved by the Board of Trustees of the Mast Academy and by written resolution from the Members.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

All the Trustees of the Mast Academy Trust are welcomed into the Trust by the chair of the Board of Trustees. Trustees are provided with an appointment letter detailing their responsibilities, alongside a welcome pack that provides them with a thorough induction process. An assessment is made of the skills and knowledge that they have and where additional support would be beneficial in order to enhance their understanding of the Trust, the governance competency framework and of the Trust ethos and vision; the assessment also identifies training opportunities that the Trust provides on a termly basis, topics include those that are relevant to their role as governors in the academy sector, e.g. the governance role in safeguarding, the curriculum and assurance.

Formal checks are also conducted for all Trustees to ensure that they are suitable to hold the post as directed by the legislation relevant to the Trust, and the Academies Trust Handbook.

The executives of the Trust meet with Trustees to discuss matters relevant to the governance of the Trust and ensure that we have Trustees who are designated to lead on key strategic areas. This is done through updates at Board meetings, other meetings arranged outside of the Board, personal contact and correspondence relevant to Trustee needs.

As the Trust develops, further work is planned in this area to ensure the effectiveness of the Trustees. The Chair of the Board of Trustees has undertaken a self review of the effectiveness of governance of the Trust with the accounting officer and Trustees to understand the areas of improvement for governance in the Trust. This is crucial work to make sure that the Trust embeds the most effective governance model to ensure that all the core functions of the Trust are well governed and serve the children of the Trust in the best way possible.

f. Organisational structure

The Mast Academy Trust is governed in accordance with its articles of association and its funding agreement which is supported by a scheme of delegation which distributes delegated powers to different levels of the organisation. This scheme of delegation has undergone termly and an annual review in 2021/22 to ensure that the role of the Trust, the central team and local governing bodies is clear to all stakeholders in the Trust.

The Board of Trustees are responsible for determining the vision, ethos and strategy of the organisation, with subcommittees being delegated powers for updating particular policy areas, allowing greater scrutiny of specialised decision-making areas.

The scheme of delegation and terms of reference for each committee are in place and monitored closely, alongside a strengthened governance team at the Trust. This ensures that terms of reference and accountabilities are well understood and that agendas, matters arising and minutes are well managed across Trust committees including those of the local governing bodies.

This clarity has allowed the Trust to strengthen the control of the delivery of its statutory responsibilities and ensure that school standards are high everywhere in the Trust and that local governing bodies are able to focus unrelentingly on support for their local school and its community to promote an excellent education for every child.

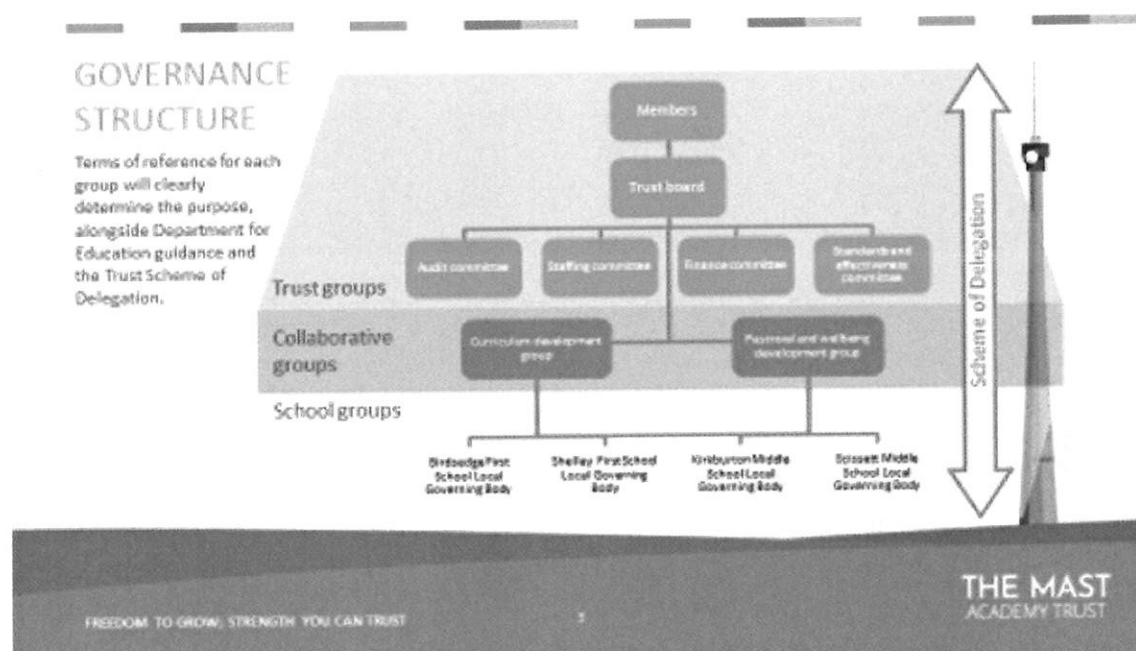
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

If any school is in need of additional support to help it achieve the standards required by the Trust or its regulator, powers are available for the Trust to support each school more directly and assume greater control of operational decision making. In 2021/22 we have further strengthened the central resources available to the Trust so that we can implement rapid improvements where they are necessary. Charges to schools have been adjusted according to their need, with a basic collaborative charge amounting to 5% of general annual grant income and schools contributing additional amounts according to any identified need.

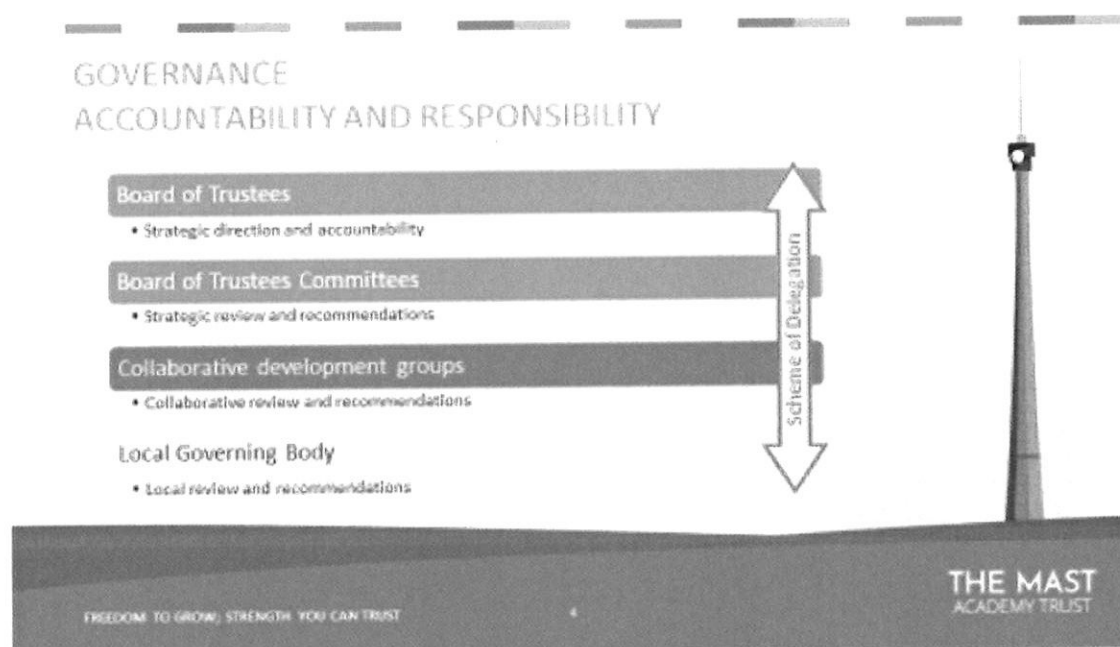
The committee structure that supports organisational decision making is depicted below in summary:



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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)



g. Arrangements for setting pay and remuneration of key management personnel

The remuneration of Key Management Personnel is set by the Board of Trustees according to the performance against objectives. This assessment is reviewed by the Trustees with responsibility for staffing matters to ensure that fairness and transparency has been achieved.

The Board of Trustees sets direction for the key management personnel in order to ensure that the vision and ethos of the Trust are clear and that the strategy of the Trust is carried out.

Our annual review of Governance has ensured an increasingly strong link between performance of key management personnel and pay to ensure that this is driving the Trust forward towards its key objectives.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

h. 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 spent on facility time

<i>Percentage of time</i>	<i>Number of employees</i>
0%	-
1%-50%	-
51%-99%	-
100%	-

<i>Percentage of pay bill spent on facility time</i>	£000
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Total cost of facility time	-
Total pay bill	6,776
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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Objectives and activities

a. Objects and aims

The Object of the Trust is defined in our Articles of Association as 'to advance public benefit education' and this is a core part of the way we work. Our vision for our pupils, staff and schools at The Mast Academy Trust is not defined by a statement but a set of key principles; principles that when united reveal our overarching vision. As individual schools and a Trust:

- We celebrate **individuality**
- We **collaborate** for the good of our children and staff
- We **inspire** our children, and our employees to **achieve** their ambitions
- We all **learn** from our experiences
- We ensure a **safe** and **caring** environment for everyone

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

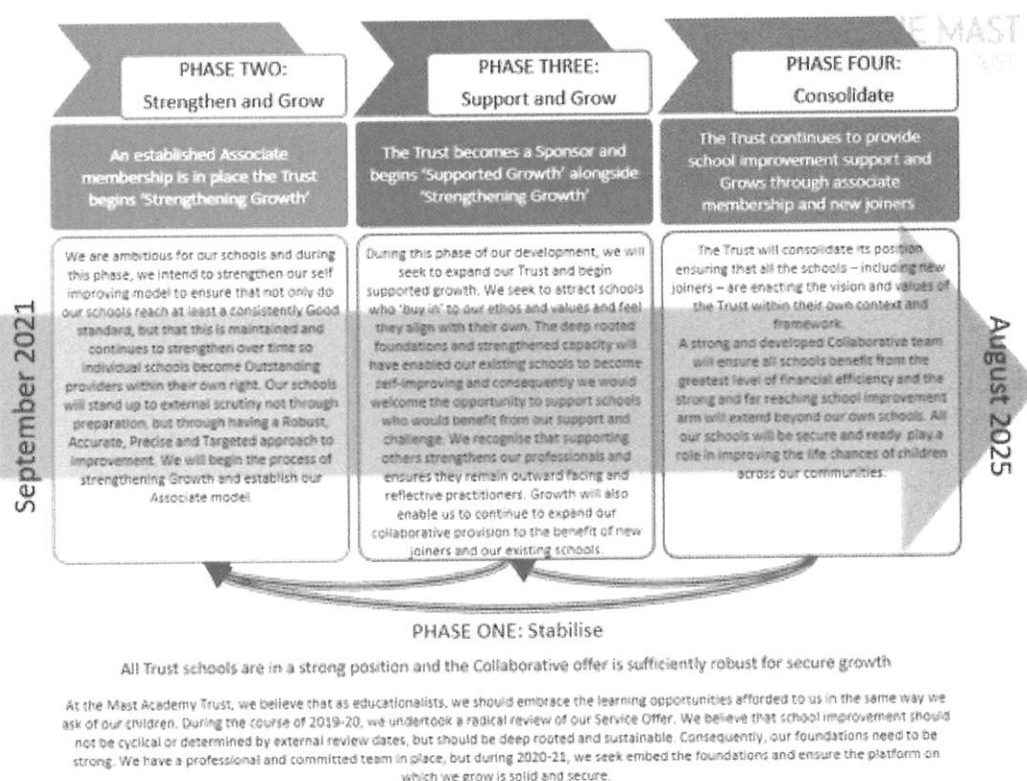
Objectives and activities (continued)

We commit to:

- Put the **children** at the heart
- Value all our **people** and respect their well-being
- Serve the **community** around us
- **Respect** different opinions and then unite together
- Be willing to **challenge** and accept challenge
- **Support** all areas within the MAST Academy Trust
- Adhere to the Nolan Principles

b. Objectives, strategies and activities

The Trust Board has set out its Strategic vision and established its key priorities moving forward. The Trust has worked effectively with school leaders to not only stabilise, but to sustain and improve significantly the quality of education in its schools. This has been achieved through the establishment of a clear Business Model which supports the Trust's strategy for Growth. Our Strategy can be summarised in the diagram below:



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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

c. Public benefit

Public benefit is the primary function of our Trust, providing benefit to our community by offering all children we serve, the best education they can possibly have.

We also strive to support our local community with employment and offer support to parents with relation to improving the life chances of their children.

We are proud of this purpose and it is central to our objects and the reality of our activities.

Strategic report

Achievements and performance

a. Key performance indicators

EYFS Outcomes

Our aims as set out are:

- We celebrate individuality
- We collaborate for the good of our children and staff
- We inspire our children, and our employees to achieve their ambitions
- We all learn from our experiences
- We ensure a safe and caring environment for everyone

Each year we set key objectives which will allow us to continue to meet these shared aims. In the Year 2021-22, our priority objectives were:

Secure at least a good quality of education across all schools and ensure all schools are independently viable.

School	Ofsted rating 2020-2021	Ofsted rating 2021-2022	Note
Birdsedge First School	Requires Improvement	Good (Sept 2022)	Outstanding in 2 areas
Kirkburton Middle School	Inadequate	Good (Nov 2021)	Outstanding in 2 areas
Scissett Middle School	Good	Good	
Shelley First School	Outstanding	Outstanding	

One of our schools, Kirkburton Middle School, was inspected in November 2021. This was the first monitoring visit since the school went into Serious Weaknesses in October 2019. Despite managing 2 years of the pandemic, the inspection converted to a graded inspection and the school was recognised as Good with Outstanding Behaviour and Attitudes and Personal Development. All areas improved. Birdsedge First School was inspected during the second week of the 2022 academic year and went from Requires Improvement to Good, with Outstanding Behaviour and Attitudes and Personal Development.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Secure the highest outcomes for pupils including for those who are disadvantaged

Phonics outcomes:

Year 1 Phonics	Trust	BFS	SFS
2019 NA	80%	80%	80%
2022 NA	75%	75%	75%
2019	81%	71%	83%
2021 Final result (Yr2)	100%	100%	100%
Actual results 2022	86%	86%	86%

Phonics' outcomes continue to be strong. In Autumn 2021, when Year 2 undertook phonics' screening, in line with national requirements, 100% of pupils reached the expected standard. At the end of the year, this was 86% - 11% above National Average (NA) and higher than before the pandemic in 2019.

Key Stage 1:

Year 2 Maths	Trust	BFS	SFS
2022 NA	68%	68%	68%
2019	81%	71%	83%
Actual results 2022	79.5%	67%	83%

Year 2 Writing	Trust	BFS	SFS
2022 NA	58%	58%	58%
2019	81%	71%	83%
Actual results 2022	72.7%	50%	74%

Year 2 Reading	Trust	BFS	SFS
2022 NA	67%	67%	67%
2019	81%	71%	83%
Actual results 2022	75%	67%	74%

Key Stage 1 outcomes were above NA in all areas. The slightly lower %s for BFS should be treated with caution as they are based on 6 pupils.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Key Stage 2:

Year 6 Maths	Trust	KMS	SMS
2022 NA	71%	71%	71%
2019	77%	79%	75%
Actual results 2022	60%	63%	57%

Year 6 Writing	Trust	KMS	SMS
2022 NA	69%	69%	69%
2019	82%	85%	80%
Actual results 2022	73%	79%	68.4%

Year 6 Reading	Trust	KMS	SMS
2022 NA	74%	74%	74%
2019	75%	76%	75%
Actual results 2022	73%	74%	72%

Within the trust, pupils in Year 6 sit their SATs, 9 months after joining the Middle Schools. In both writing and reading, pupils performed in line with NA. Slightly lower outcomes in Maths were affected by gaps on entry following the pandemic. Targets for 2023, have been set at 75% in all 3 and 25% Greater Depth in the Standard (GDS).

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Year 8 Outcomes - end of Middle School

Pupils undertake GL assessments at the end of Year 8. The table below represents the outcome of the assessments which are taken in exam conditions.

Year 8 Maths	Trust	KMS	SMS
2022 NA (based on KS2 outcomes)	68%	68%	68%
Actual results % reaching ARE	84.3%	78.9%	88.8%
2022 NA Scaled score	100	100	100
Average scaled score	113.9	114.5	113.2
Average scaled score for DA pupils	106.2	107.1	105.3

Year 8 Writing	Trust	KMS	SMS
2022 NA (based on KS2 outcomes)	58%	58%	58%
Actual results 2022	87.3%	84.3%	89.8%
2022 NA Scaled score	100	100	100
Average scaled score	106.9	107.5	106.2
Average scaled score for DA pupils	101.8	102.8	100.7

Year 8 Reading	Trust	KMS	SMS
2022 NA (based on KS2 outcomes)	67%	67%	67%
Actual results 2022	87.3%	84.3%	89.8%
2022 NA Scaled score	100	100	100
Average scaled score	106.9	107.5	106.2
Average scaled score for DA pupils	101.8	102.8	100.7

Outcomes at the end of Year 8 continue to be very strong despite the impact of Covid 19. Both the average scaled score outcomes and the percentage of pupils reaching Age Related Expectations, is above National Average including for disadvantaged pupils.

Secure high standards of pastoral care including behaviour and personal development:

	BFS	SFS	KMS	SMS
Ofsted Grading: Behaviour and Attitudes	Outstanding	Outstanding	Outstanding	Good
Ofsted Grading: Personal Development	Outstanding	Outstanding	Outstanding	Good
Attendance compared to NA	In line	Above	Above	Above

Pastoral standards across the trust remain exceptionally high. We pride ourselves on putting children 'at the heart' of everything we do, and this has been apparent in our most recent Ofsted outcomes where Outstanding is the predominant judgement.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

b. 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.

Financial review

This year has seen a planned investment in the Trust from reserves that have reached satisfactory levels over the last few years. Whilst generating, an underlying revenue surplus of 70K, an investment in facilities has meant an in-year deficit. This has been carefully planned and ensures that revenue surpluses do not continue to accumulate and are rather invested in the children of the Trust. Having said this the Trust is mindful of the ongoing uncertainty in the economic and public funding environment and continues to hold reserves that will mean sustainability into the long term.

Current levels of restricted general fund (excluding pension reserves) and unrestricted funds amount to £831k. £540k is attributable to the unrestricted fund and £291k to the restricted general fund. This compares with £980k last year. Funds previously held for capital projects (e.g. Devolved formula capital) have been used this year and this investment means that Restricted fixed asset funds available for expenditure on capital projects has fallen with only Birdsedge retaining any funds for this other than outstanding funding available for condition improvement funded projects not completed at the end of 2021/22.

The Teaching school has ceased to operate as a result of the government moving to a hub model and any residual work has been absorbed into the central trust operation.

a. Reserves policy

The Trust maintains a Reserves policy that is reviewed by the Board of Trustees on a periodic basis to ensure it remains in line with the Trust objectives.

Reserves are above the expected level of 5% of total income for the Trust and there is some flexibility for strategic investment. This reserve will be used to ensure financial stability during the pandemic as well as continuing to develop a capital plan that will refresh assets relating to our buildings and IT infrastructure.

The reduction in this year has been as a result of the investment in capital and still leaves the Trust with available reserves of over 10% for future investment.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

b. Investment policy

The Mast Academy Trust takes a low risk approach to investments and is entirely utilising short term deposits with secure banking partners at this stage and for the foreseeable future. Our priorities remain to ensure that there is the lowest possible risk to circumstances affecting resources adversely.

The Trust maintains an investment policy that is reviewed by the Board of Trustees on a periodic basis to ensure it remains in line with the Trust objectives and risk profile.

c. Principal risks and uncertainties

There are a number of risks that The Mast Academy Trust faces as an academy trust. Some of these are inherent within our environment and others are particular to the current environment in which all organisations find themselves in 2021/22 and for the near future.

Inflationary pressures are a significant risk over the coming period, with a number of services becoming more expensive. Utility costs, catering, building and grounds maintenance are a number of areas that are becoming significantly more expensive. Staff costs are also rising faster than originally planned. Updated plans over the course of the period will monitor this and appropriate action to mitigate these risks will be implemented.

Public funding is also a significant financial risk. There is significant uncertainty about the ability of many Trusts in the Education sector to respond positively to unfunded pay increases that have recently been agreed. We will continue to monitor the funding announcements made by the government over the course of the coming period and adapt our plans to ensure we remain financially sustainable.

Cyber security continues to increase as a risk and the Trust has amended its policies and procedures, as well as increased training and system resilience in this area, in order to mitigate against major issues such as ransomware attacks or loss of personal data. We continue to monitor developments in this area.

Other emerging risks are monitored regularly through the risk register, that is updated termly by the Trust and discussed by the Board of Trustees.

Fundraising

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

Funds for the Mast Academy Trust, as a multi academy trust, are largely in the form of grants provided by the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA).

Streamlined energy and carbon reporting

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.


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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022


Plans for future periods

Over the course of the last year the Trust has been approved by the Regional Director to seek growth and add new schools to the Trust and has also gained sponsorship status as a Multi Academy Trust (approved by the Head Teachers Board in October 2022).

Our strategic objectives for the coming periods are summarised below:




We will promote equality of opportunity for all by maximising opportunities for all our people to realise their full potential.




All established schools will be high quality providers of education as validated by external partners


Establish a strong school improvement arm to the Trust which ensures capacity to reach widely to support all schools regardless of membership



We will build strong partnerships in order to take an active role in building strong communities and improve the life chances of children as part of our civic role.



We will be a recognised as a strong trust which is financially efficient, sustainable and ethically driven – leading to growth



Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

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



Philip Marshall
Chair of Trustees

Date: 14 DECEMBER 2022

THE MAST ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Mast 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 Mast 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. Not including the AGM, the board of trustees has formally met 5 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
Philip Marshall, Chair of Trustees	5	5
Andrew Williams (resigned 26 February 2022)	2	2
Anthony Wilkinson	2	5
David Philip Oldfield	2	5
David Webster	2	5
Dorcas Atkinson	4	5
Elizabeth Anne Godman	5	5
Gail Howe (resigned 19 October 2022)	5	5
James Timothy Wade	4	5
Charles Martyn Jones (resigned 6 May 2022)	1	3
Nicola Thorpe (resigned 25 April 2022)	1	3
Richard Sowerby	1	5

Additional attendees to meetings of the Board of Trustees include observers: Natasha Greenough (Chief Executive Officer) and Jason Field (Chief Financial Officer). Both individuals are exempt from voting rights.

The sub-committee structure operates in addition to the Trust Board Meeting and each committee meets formally 3 times during the year.

The committees are as described in the section on the organisation of the Trust in the Trustees Report, and all have a set of responsibilities as defined in a terms of reference document that is reviewed each year.

The committees are aligned to the three core functions of an academy trust as defined in the Governance Handbook.

The Trust has agreed membership for the Audit Committee, Staffing Committee, a Standards and Effectiveness Committee and a Finance Committee.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

	Audit Committee			Finance Committee			Standard and Effectiveness Committee			Staffing Committee		
Name	A	S	%	A	S	%	A	S	%	A	S	%
Andy Williams							2	2	100%			
Anthony Wilkinson										0	3	0%
Elizabeth Godman							3	3	100%			
Martyn Jones				1	2	50%						
Philip Oldfield	1	3	33%	2	3	67%						
Tim Wade	3	3	100%							3	3	100%
Gail Howe							3	3	100%			
David Webster	2	3	67%	3	3	100%						
Dorcas Atkinson										3	3	100%
Richard Sowerby	1	3	33%	0	3	0%	1	3	33%			
Philip Marshall	3	3	100%	3	3	100%						
Nichola Thorpe							1	2	50%			
Natasha Greenough							3	3	100%	3	3	100%
Jason Field	3	3	100%	3	3	100%						

The finance committee is a sub-committee of the main board of trustees. Its purpose is to provide support and challenge to the leadership of the Executive Officers in the trust responsible for financial performance and to hold them to account in relation to all aspects of financial management, including:

- financial oversight
- financial review
- planning and reporting
- management of public money
- delivering good value for money.

This will have a particular focus on the requirements of The Mast Academy Trust with regard to its agreed scheme of delegation and the requirements of the Academy Trust Handbook.

The audit and risk committee is also a sub-committee of the main board of trustees. Its purpose is to provide support and challenge to the leadership of the Executive Officers in the trust and to hold them to account in relation to the aspects of internal control systems, including: internal audit programmes of work, internal control systems, risk management and risk registers, overseeing implementation of new controls in response to control weaknesses identified. This will have a particular focus on the requirements of The Mast Academy Trust with regard to its agreed financial scheme of delegation and the requirements of the Academy Trust Handbook.

Attendance at meetings in the year was as outlined above.

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Trust is comfortable that the meeting structure described above allows a good oversight of the business of the trust, with Trustees being able to delegate responsibilities to sub-committee meetings in lieu of additional Board meetings. This allows more detailed discussion in a number of specialist areas, allowing the quality of decision making to improve at the same time as bringing clarity to the Board of Trustees across the full range of areas required for the running of the Trust.

The Trust requires annual declarations of interest from all members of governance and people with significant influence of finances and enforces reminders to governance members as an agenda item on each governance meeting.

Building on the governance improvement capacity framework completed in review 2020/21 the Board of trustees completed a skills audit and self-review. The self-review focused on the other five areas of governance competency, as outlined in the governance handbook, and evaluated the impact and effectiveness of the Board of Trustees. Outcomes, including: further strengthening the collaboration of governance across the trust; increasing engagement with the wider communities; evaluating individual contribution and effectiveness; external review of governance in the next 2 years; were agreed and included within the wider Trust Improvement Plan for 2022/23 for monitoring and assurance.

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. This year has been particularly challenging in terms of providing value for money as a result of resource stretch caused by the Covid-19 pandemic. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Embedding of a structured procurement plan that pulls together a number of strands of activity across the Academy Trust so that non-staff expenditure can be reviewed rigorously
- Increasing of investment in Trust Operations activity, via the Trust Operations officer, that has allowed an increased number of contracts to be reviewed and procured centrally
- Improvements in the cost effectiveness of the Catering contract, the Grounds maintenance contract, Planned Preventative Maintenance contracts, staff absence insurance and a number of other non-staff expenditures resulting in savings of over £100k
- The realignment of a number of key staffing areas to improve the cost of and support available for Site Management, IT and Financial Support services

The procurement programme is ongoing and remains critical to the financial success of the Trust, with a multi-annual cycle activity ongoing to ensure that procurement is affordable and meets the needs of the Trust given increasingly difficult choices around resource prioritization.

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

The academy trust's system of internal financial control is based on a framework of regular management information and review of administrative procedures across a variety of committees with defined responsibilities. 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 audit committee of a risk register that identifies key risks and ensures that these are monitored through an internal scrutiny programme.
- setting targets and Key Performance Indicators across important areas of the operation of the Trust and ensuring they are monitored and reviewed to ensure strong performance and compliance to regulations and procedures.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- identification and management of risks.

The Board of Trustees has decided to buy-in an internal audit service from One Education.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. They prepare reports that are shared as part of the ongoing operation of the Audit Committee annually. Other committees also receive reports for scrutiny across their remit during the year, informed by the risk register. The Audit Committee receives information on the progress of the overall programme of internal scrutiny and reports back to the board on progress.

Outside of the scope of the internal auditor, a programme of activity is ongoing and aligned to the risk register, meaning that internal and external experts look at areas across the remit of the organization, including health and safety, Cyber-Security, safeguarding and educational practice.

This years programme by One Education included:

- the alignment of management information with financial goals of the organisation (e.g. Management accounts)
- Financial controls at schools including bank reconciliations, purchasing procedures and invoicing and payment controls

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

On a termly basis, the Chief Financial Officer reports to the board of trustees, through the audit and risk committee on the operation of the systems of control, in an updated internal scrutiny plan, and on the discharge of the board of trustees' financial and other responsibilities. On an annual basis the Chief Financial Officer prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

As accounting officer, the 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 and will be informed by:

- the work of One Education;
- the financial management and governance self-assessment process or;
- the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework; and
- the work of the external auditor;
- correspondence from ESFA, in particular the 'minded to' letter that was completed and ended at Kirkburton Middle School.

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

Approved by order of the members of the Board of Trustees on 14 DECEMBER 2022 and signed on their behalf by:



Philip Marshall
Chair of Trustees



Natasha Greenough
Accounting Officer

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Mast Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, 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 Trust Handbook 2021.

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

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



Natasha Greenough

Accounting Officer

Date: 14 DECEMBER 2022

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report 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 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

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

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



Philip Marshall
Chair of Trustees

Date: 14 DECEMBER 2022

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE MAST ACADEMY TRUST

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

Use of our report

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



Lesley Kendrew (Senior Statutory Auditor)

for and on behalf of

BHP LLP

Statutory Auditors

New Chartford House

Centurion Way

Cleckheaton

BD19 3QB

Date: 14 December 2022

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 25 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Mast Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Mast 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 Mast 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 Mast Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Mast Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Mast Academy Trust's funding agreement with the Secretary of State for Education dated 30 December 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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 MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

The work undertaken to draw our conclusion includes:

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

Conclusion

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



Lesley Kendrew (Reporting Accountant)
BHP LLP

Statutory Auditors
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: 14 December 2022

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Income from:						
Donations and capital grants	3	47	-	35	82	718
Other trading activities	5	246	-	-	246	156
Charitable activities:	4					
Funding for the academy trust's educational operations		-	7,402	-	7,402	7,152
Teaching schools		-	36	-	36	101
Total income		293	7,438	35	7,766	8,127
Expenditure on:						
Charitable activities:	6,7					
Academy trust educational operations		57	8,059	345	8,461	8,256
Teaching schools		-	42	-	42	171
Total expenditure		57	8,101	345	8,503	8,427
Net income/(expenditure)		236	(663)	(310)	(737)	(300)
Transfers between funds	18	(643)	365	278	-	-
Net movement in funds before other recognised gains		(407)	(298)	(32)	(737)	(300)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	24	-	4,206	-	4,206	144
Net movement in funds		(407)	3,908	(32)	3,469	(156)

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Note					
Reconciliation of funds:					
Total funds brought forward	947	(3,882)	15,882	12,947	13,103
Net movement in funds	(407)	3,908	(32)	3,469	(156)
Total funds carried forward	540	26	15,850	16,416	12,947

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

The notes on pages 34 to 62 form part of these financial statements.

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10357163

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	13	11	23
Tangible assets	14	15,839	15,326
		<u>15,850</u>	<u>15,349</u>
Current assets			
Debtors	15	310	684
Cash at bank and in hand		1,220	1,397
		<u>1,530</u>	<u>2,081</u>
Creditors: amounts falling due within one year	16	(689)	(548)
Net current assets		<u>841</u>	<u>1,533</u>
Total assets less current liabilities		<u>16,691</u>	<u>16,882</u>
Creditors: amounts falling due after more than one year	17	(10)	(20)
Net assets excluding pension liability		<u>16,681</u>	<u>16,862</u>
Defined benefit pension scheme liability	24	(265)	(3,915)
Total net assets		<u><u>16,416</u></u>	<u><u>12,947</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	15,850	15,882
Restricted income funds	18	291	33
Pension reserve	18	(265)	(3,915)
Total restricted funds	18	<u>15,876</u>	<u>12,000</u>
Unrestricted income funds	18	<u>540</u>	<u>947</u>
Total funds		<u><u>16,416</u></u>	<u><u>12,947</u></u>

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 29 to 62 were approved by the Trustees, and authorised for issue and are signed on their behalf, by:



Philip Marshall
Chair of Trustees

Date: 14 DECEMBER 2022

The notes on pages 34 to 62 form part of these financial statements.

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	634	739
Cash flows from investing activities	21	(811)	(1,058)
Change in cash and cash equivalents in the year		(177)	(319)
Cash and cash equivalents at the beginning of the year		1,397	1,716
Cash and cash equivalents at the end of the year	22, 23	1,220	1,397

The notes on pages 34 to 62 form part of these financial statements

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Mast Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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

1. Accounting policies (continued)

1.5 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.

1.6 Intangible assets

Intangible assets costing £1,000 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 range as follows:

Computer software	-	-	over the length of the software licence
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1.7 Tangible fixed assets

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

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

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

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years
Furniture and equipment	- 5 years
Computer equipment	- 3 years
Motor vehicles	- 5 years

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

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

1.8 Liabilities

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

1.9 Provisions

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

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

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

1. Accounting policies (continued)

1.10 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 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.12 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.

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

1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

THE MAST ACADEMY TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Donations	47	-	47	54
Capital grants	-	35	35	664
	<u>47</u>	<u>35</u>	<u>82</u>	<u>718</u>
	<u>19</u>	<u>699</u>	<u>718</u>	
Total 2021				

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

4. Funding for the academy trust's educational operations

	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<i>DfE/ESFA grants</i>			
General Annual Grant	6,542	6,542	6,046
Other DfE/ESFA grants			
Pupil Premium	225	225	235
Teachers Pension Grant	-	-	234
Teachers Pay Grant	-	-	83
Rates Reclaim	14	14	-
ITT Bursaries Grant	37	37	-
Schools Supplementary Grant	80	80	-
Other DfE revenue grants	40	40	-
PE Premium	70	70	79
Catch up grant	56	56	108
Others	50	50	141
	7,114	7,114	6,926
<i>Other Government grants</i>			
High needs top up funding	275	275	226
Local authority grants	13	13	-
	288	288	226
	7,402	7,402	7,152
Total 2021	7,152	7,152	

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Hire of facilities	3	3	5
Other income	117	117	151
Trip Income	65	65	-
FSM Vouchers	61	61	-
	<u>246</u>	<u>246</u>	<u>156</u>
Total 2021	<u>156</u>	<u>156</u>	

6. Expenditure

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000	Total 2021 £000
Academy trust's educational operations:					
Direct costs	5,279	-	583	5,862	5,909
Allocated support costs	1,497	279	823	2,599	2,347
Teaching school	-	-	42	42	171
	<u>6,776</u>	<u>279</u>	<u>1,448</u>	<u>8,503</u>	<u>8,427</u>
Total 2021	<u>6,888</u>	<u>244</u>	<u>1,295</u>	<u>8,427</u>	

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Academy trust's educational operations	5,862	2,599	8,461	8,256
Total 2021	5,909	2,347	8,256	

Analysis of support costs

	2022 £000	Total funds 2022 £000	Total funds 2021 £000
Staff costs	1,497	1,497	1,337
Depreciation	345	345	331
Technology costs	139	139	10
Premises costs	279	279	308
Other support costs	290	290	342
Governance costs	49	49	19
	2,599	2,599	2,347
Total 2021	2,347	2,347	

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£000	£000
Operating lease rentals	13	13
Depreciation of tangible fixed assets	333	311
Amortisation of intangible assets	12	20
Fees paid to auditors for:		
- audit	15	14
- other services	5	4

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£000	£000
Wages and salaries	4,596	4,696
Social security costs	467	455
Pension costs	1,570	1,506
	6,633	6,657
Agency staff costs	143	205
Staff restructuring costs	-	26
	6,776	6,888

Staff restructuring costs comprise:

	2022	2021
	£000	£000
Severance payments	-	26
	-	26

b. Staff numbers

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

	2022	2021
	No.	No.
Teachers	65	73
Administration and support	99	117
Management	22	12
	186	202

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

9. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	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 £526,656 (2021 - £561,564).

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Central services

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

- Strategic management and planning
- School improvement support and co-ordination
- Finance support and central accounting
- Governance services and clerking across the Trust
- Employment law and legal advice services
- Health and Safety system guidance
- HR advice
- GDPR compliance services

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

A 5% plus model and agrees any additional charges based on the service needs of each school.

The actual amounts charged during the year were as follows:

	2022	2021
	£000	£000
Birdsedge First School	21	22
Kirkburton Middle School	141	157
Scissett Middle School	143	168
Shelley First School	46	41
Total	351	388

11. Trustees' remuneration and expenses

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

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

12. Trustees' and Officers' insurance

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

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Intangible assets

	Computer software £000
Cost	
At 1 September 2021	88
	<hr/>
At 31 August 2022	88
	<hr/>
Amortisation	
At 1 September 2021	65
Charge for the year	12
	<hr/>
At 31 August 2022	77
	<hr/>
Net book value	
At 31 August 2022	11
	<hr/> <hr/>
At 31 August 2021	23
	<hr/> <hr/>

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Tangible fixed assets

	Long-term leasehold land & property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2021	16,238	207	159	15	16,619
Additions	785	15	46	-	846
At 31 August 2022	17,023	222	205	15	17,465
Depreciation					
At 1 September 2021	1,040	117	121	15	1,293
Charge for the year	267	43	23	-	333
At 31 August 2022	1,307	160	144	15	1,626
Net book value					
At 31 August 2022	15,716	62	61	-	15,839
At 31 August 2021	15,198	90	38	-	15,326

15. Debtors

	2022 £000	2021 £000
Due within one year		
Trade debtors	10	11
Other debtors	66	37
Prepayments and accrued income	234	636
	310	684

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	191	32
Other taxation and social security	115	110
Other creditors	128	133
Accruals and deferred income	255	273
	689	548
	2022	2021
	£000	£000
Deferred income at 1 September 2021	57	68
Resources deferred during the year	63	57
Amounts released from previous periods	(57)	(68)
	63	57

At the Balance Sheet date the Trust was holding deferred income relating to School trips (£29k), Universal Free School Meals (£29k) Money for next years club (£4k) and High needs top up (£1k).

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

	2022	2021
	£000	£000
Other creditors	10	20

The MAST Academy Trust has been awarded 2 Salix loans for LED lighting. One loan relates to Kirkburton Middle School and the other to Scissett Middle School. Both of these loans are interest free. The loan relating to Kirkburton Middle School is due to be paid fully in 2024 and the loan relating to Scissett Middle School is due to be paid fully in September 2022 and is included in other creditors at note 16.

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<i>Unrestricted funds</i>						
General Funds	947	293	(57)	(643)	-	540
<i>Restricted general funds</i>						
General Annual Grant (GAG)	8	6,579	(6,670)	374	-	291
PE Premium	25	70	(70)	(25)	-	-
Pupil Premium	-	225	(225)	-	-	-
UIFSM	-	50	(50)	-	-	-
Catch up Grant	-	56	(56)	-	-	-
Other Grants	-	458	(474)	16	-	-
Pension reserve	(3,915)	-	(556)	-	4,206	(265)
	(3,882)	7,438	(8,101)	365	4,206	26
<i>Restricted fixed asset funds</i>						
Transfer on conversion	13,770	-	(301)	-	-	13,469
DfE/EFSA capital grants	2,112	35	(44)	278	-	2,381
	15,882	35	(345)	278	-	15,850
<i>Total Restricted funds</i>	12,000	7,473	(8,446)	643	4,206	15,876
<i>Total funds</i>	12,947	7,766	(8,503)	-	4,206	16,416

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Statement of funds (continued)

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

Restricted General Fund

The fund has arisen from funds provided by the Government and Local Authority and it is to be used for educational purposes as agreed in the objects of the organisation and with the Secretary of State. The deficit on the Local Government Pension fund amounted to £265k. This will continue to be monitored by the Trust in association with the West Yorkshire Pension Fund.

Restricted Fixed Asset Fund

This fund has arisen from capital funding from the Government and assets donated by the Local Authority. It is to be used for educational purposes as agreed by the Secretary of State and in accordance with the Trust's objects. Any transfer of funds into this fund from other funds are to ensure that assets held at each academy are fully funded according to the commitments that each academy has made to purchasing assets classified under this fund.

Unrestricted fund

The surplus has arisen from activities from generating funds and transfers from Local Authority of funds surplus at the time of conversion to academy status.

The trust has a surplus against Restricted and Unrestricted General Funds (excluding Pension Reserves) of £540k (unrestricted) + £291k (restricted general) = £831k.

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

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Statement of funds (continued)

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
<i>Unrestricted funds</i>					
General Funds	777	175	(5)	-	947
<i>Restricted general funds</i>					
General Annual Grant (GAG)	8	6,045	(6,045)	-	8
PE Premium	-	235	(235)	-	-
UIFSM	-	234	(234)	-	-
Catch up Grant	-	79	(54)	-	25
Other Grants	-	108	(108)	-	-
DfE Group Capital Grants	272	552	(824)	-	-
Pension reserve	(3,567)	-	(492)	144	(3,915)
	(3,287)	7,253	(7,992)	144	(3,882)
<i>Restricted fixed asset funds</i>					
Transfer on conversion	14,068	-	(298)	-	13,770
DfE/EFSA capital grants	1,545	664	(97)	-	2,112
Donated laptops	-	35	(35)	-	-
	15,613	699	(430)	-	15,882
<i>Total Restricted funds</i>	12,326	7,952	(8,422)	144	12,000
<i>Total funds</i>	13,103	8,127	(8,427)	144	12,947

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
Birdsedge First School	196	173
Kirkburton Middle School	148	115
Scissett Middle School	145	218
Shelley First School	267	343
Central Services	75	131
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	831	980
Restricted fixed asset fund	15,850	15,882
Pension reserve	(265)	(3,915)
	<hr/>	<hr/>
Total	16,416	12,947
	<hr/>	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
Birdsedge First School	202	113	17	90	422	350
Kirkburton Middle School	1,579	563	124	472	2,738	2,562
Scissett Middle School	2,002	670	154	511	3,337	3,061
Shelley First School	527	267	75	241	1,110	1,209
Central Services	222	631	54	(356)	551	914
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	4,532	2,244	424	958	8,158	8,096
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	15,839	15,839
Intangible fixed assets	-	-	11	11
Current assets	1,239	291	-	1,530
Creditors due within one year	(689)	-	-	(689)
Creditors due in more than one year	(10)	-	-	(10)
Provisions for liabilities and charges	-	(265)	-	(265)
Total	540	26	15,850	16,416

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	15,326	15,326
Intangible fixed assets	-	-	23	23
Current assets	1,515	33	533	2,081
Creditors due within one year	(548)	-	-	(548)
Creditors due in more than one year	(20)	-	-	(20)
Provisions for liabilities and charges	-	(3,915)	-	(3,915)
Total	947	(3,882)	15,882	12,947

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

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

	2022	2021
	£000	£000
Net expenditure for the year (as per Statement of Financial Activities)	(737)	(300)
Adjustments for:		
Amortisation	12	20
Depreciation	333	311
Capital grants from DfE and other capital income	(35)	(194)
Defined benefit pension scheme cost less contributions payable	491	433
Defined benefit pension scheme finance cost	65	59
Decrease in debtors	374	585
Increase/(decrease) in creditors	131	(175)
Net cash provided by operating activities	634	739

21. Cash flows from investing activities

	2022	2021
	£000	£000
Purchase of tangible fixed assets	(846)	(1,252)
Capital grants from DfE Group	35	194
Net cash used in investing activities	(811)	(1,058)

22. Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand and at bank	1,220	1,397
Total cash and cash equivalents	1,220	1,397

THE MAST ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	1,397	(177)	1,220
	<u>1,397</u>	<u>(177)</u>	<u>1,220</u>

24. Pension commitments

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

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

Contributions amounting to £116,953 were payable to the schemes at 31 August 2022 (2021 - £117,899) 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.

24. 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 £782,051 (2021 - £779,646).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £319,000 (2021 - £338,000), of which employer's contributions totalled £240,000 (2021 - £254,000) and employees' contributions totalled £79,000 (2021 - £84,000). The agreed contribution rates for future years are 18.1 per cent for employers and 9 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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24. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.95
Rate of increase for pensions in payment/inflation	2.70	2.70
Discount rate for scheme liabilities	4.10	1.70
Inflation assumption (CPI)	2.70	2.70
Commutation of pensions to lump sums	2.70	2.70

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

A gain (or loss) is recognised in the Defined Benefit Obligation (DBO) when actual pension increases are lower (or higher) than those assumed.

The policy to date has been to recognise the pension increase order laid during the relevant accounting period.

The last pension increase order was 3.1% in April 2022, and this has been allowed for in these figures. However, due to current levels of high inflation the actuary has been instructed to also make an allowance in the DBO for the expected impact of CPI inflation on the pension increase order for April 2023.

This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation for the year ending 30 September 2022.

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

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

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

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24. Pension commitments (continued)

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	5,989	9,348
Discount rate -0.1%	6,271	9,788
Mortality assumption - 1 year increase	5,958	9,204
Mortality assumption - 1 year decrease	6,302	9,941
CPI rate +0.1%	6,246	9,606
CPI rate -0.1%	6,014	9,530

Share of scheme assets

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

	At 31 August	At 31 August
	2022	2021
	£000	£000
Equities	4,686	4,534
Property	252	215
Government bonds	229	452
Corporate bonds	375	249
Cash and other liquid assets	235	124
Other	88	79
Total market value of assets	5,865	5,653

The actual return on scheme assets was £76,000 (2021 - £943,000).

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

	2022	2021
	£000	£000
Current service cost	731	687
Net interest cost	65	59
Total amount recognised in the Statement of Financial Activities	796	746

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

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

	2022	2021
	£000	£000
At 1 September	9,568	8,093
Current service cost	731	687
Interest cost	162	138
Employee contributions	79	84
Actuarial (gains)/losses	(4,227)	719
Benefits paid	(183)	(153)
At 31 August	6,130	9,568

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

	2022	2021
	£000	£000
At 1 September	5,653	4,526
Interest income	97	79
Actuarial (losses)/gains	(21)	863
Employer contributions	240	254
Employee contributions	79	84
Benefits paid	(183)	(153)
At 31 August	5,865	5,653

25. Operating lease commitments

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

	2022	2021
	£000	£000
Not later than 1 year	11	13
Later than 1 year and not later than 5 years	21	33
	32	46

NOTES TO THE FINANCIAL STATEMENTS
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26. 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.

27. 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 Academy Trust 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.

Gail Howe, a trustee, has provided Initial Teacher Training (ITT) services to the academy trust. This service amounted to £18,000 (2021-£16,800)

Trustee's remuneration and expenses are disclosed in note 11

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Trust 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