Company No. 07904096 (England & Wales)

ENHANCE ACADEMY TRUST
(A Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Enhance Academy Trust

CONTENTS

Enhance Academy Trust

Reference And Administrative Details of the Academy – Trustees, Directors and Advisors

Members	The Venerable Peter Townley Reverend Canon Ian Wildey John McLeod Canon Richard Noake
Trustees	The Venerable Peter Townley John McLeod John Brady (Resigned 28 January 2021) Linda Maskill Janet Milne Christopher Schofield Katharine Smith Fiona McMahon (resigned 22 October 2021) Kevin Jones (retired 31 December 2020) Mark Randall (appointed 1 January 2021)
Chief Executive	Kevin Jones (retired on 31 December 2020) Mark Randall (appointed 1 January 2021)
Chief Financial Officer	Lisa Hutton
Company Secretary	Schofield Sweeney LLP
Registered Office	C/O Schofield Sweeney Church Bank House Church Bank Bradford BD1 4DY
Principal Office	Church House 1 South Parade Wakefield WF1 1LP
Company Registration Number	07904096 (England and Wales)
Independent Auditor	Paylings Unit 2 Silkwood Office Park Fryers Way Wakefield WF5 9TJ
Bankers	Lloyds TSB Westgate Wakefield Branch P O Box 1000 BX1 1LT

Enhance Academy Trust

Trustees' Report – for the year ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During this financial year the Trust operated ten primary academies, based in the local authority areas of Kirklees and Wakefield, and it sponsors a post 16 free school. The educational activities of the Trust were reduced due to the impact of Covid-19 during the year. Using the data used by the Education and Skills Funding Agency (ESFA) for funding during the year the ten primary academies had 2,616 pupils aged between 4 to 11 on roll and an additional 230 full time nursery pupils. The free school had 260 pupils on roll in September 2020, and this will increase over the next two to three years to 500 students when it has moved into its new building.

Structure, Governance and Management

Constitution

The Wakefield Diocesan Academies Trust was incorporated on 10 January 2012 with company number 07904096. It was established to act as sponsor for Church of England, and other schools mainly within the previous Wakefield Diocesan area, that were required to become sponsored academies with the first of these being opened on 1 September 2012. On the 20 April 2014 the Diocese of Wakefield was merged with two other dioceses and in February 2016, the Wakefield Diocesan Academy Trust changed its name to Enhance Academy Trust (the "Trust") – no other changes were made at this time.

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees and the Chief Executive are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Enhance Academy Trust.

The Academy Trust is governed by its Trustees who can delegate their responsibilities to the Chief Executive and to each Local Governing Body, or if this is not appropriate, they can establish Advisory Boards in accordance with the Articles of Association of the company. During 2020-2021 Local Governing Bodies or Local Governing Boards were in place in each academy.

Details of the Trustees and Chief Executive are given on page 2. The role of the Trustees is more of an over-arching, and strategic role, ensuring that their vision for the character and ethos of the Academy Trust, and its role in the local education system, is carried forward.

The financial statements have been prepared in accordance with the accounting policies on pages 26 to 30 of the financial statements, and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, and in accordance with the Charities Statement of Recommended Practices 2019 and the Academies Direction 2020 to 2021.

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.

Enhance Academy Trust

**Report of the Trustees – for the year ended 31 August 2021
(Continued)**

Trustees' Indemnity

The Trustees and the Chief Executive benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law, would otherwise attach to them in respect of negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or a breach of duty or which was committed by the Trustees or Chief Executive in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to criminal prosecution brought against the Trustees or Chief Executive in their capacity as directors of the Trust. The limit of this indemnity is £2,000,000.

Method of Recruitment and Appointment or Election of Trustees and Directors

The Trustees are appointed by the Members as stated in the Articles of Association number 12.

The Articles of Association numbered 45 to 63 deal with the appointment of Trustees and Chief Executive. The Articles state that the number of Trustees shall not be less than three but shall not be subject to any maximum unless otherwise determined by ordinary resolution. Full details relating to the appointment and removal of Trustees are contained in the Articles of Association.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trustees and Chief Executive have a broad and detailed understanding of their role and therefore no formal induction training has been provided. They have kept abreast of educational and financial developments in education including some being Trustees of other academy trusts and being Chairs of Local Governing Bodies. They have been involved in the development of this Academy Trust, and others, and take advice from external parties when deemed appropriate.

Organisational Structure and Management

The Articles of Association establish the organisational structure for the Trustees. Many of their responsibilities are undertaken by the Chief Executive who works closely with each of the Academies who are run on a day to day basis by a Local Governing Body. The academies operate under a Scheme of Delegation agreed by the Trustees which delegates responsibilities to others but also reserves a number of key decisions that have to be agreed with the Trust. Each of the Academies is responsible to the Trustees through the Chief Executive, for a range of educational and management responsibilities covered by the Scheme of Delegation. The Trust's key reserved decisions include securing appropriate school improvement partners; the appointment of key personnel within each academy, approving a five year rolling budget, and all formal financial reporting arrangements. The Trustees are ultimately responsible to the Secretary of State through the Trust's Master Funding Agreement.

Arrangements for setting pay and remuneration of key management personnel

The Trustees and the Chief Executive are deemed to be the Trust's key personnel. The Trustees do not claim any remuneration or expenses for their duties. The Chief Executive started at the Trust on 1 November 2020 and took the position on 1 January 2021 following his predecessor's retirement. His total remuneration package, including local travel, is based on a review of salaries paid to other Chief Executives of MATs and a percentage difference from the pay of Head Teachers within the Trust.

Trade Union Facility Time

There were no employees who were relevant union officials during the relevant period.

Related parties and other connected charities and organisations

The Academy Trust currently is connected to a company known as the Wakefield Diocesan Umbrella Trust. However, to date this company has been dormant. One of the Trustees also has links to the Board of Education of the Diocese of Leeds.

Engagement with employees (including disabled persons)

The Academy Trust has begun work to develop a Trade Union Recognition Agreement in order to ensure that key policies and documents are discussed prior to implementation and employee's views are sought and considered.

Work has been started in 2020-2021 to develop the framework around which we engage with and improve Trust wide communication with colleagues. The Central Team is reviewing the operations of the Trust, in partnership with schools and will be delivering consistent HR policies and documentation to support key messaging and decision making.

The Trust does not accept any discrimination of any nature, we encourage applications from disabled persons. We recognise every individual skill which could be valuable on our continued journey, and we will do everything reasonable to support colleagues who become disabled, including offering support for training and career development for affected colleagues.

Examples of how we provide information on matters of concern to our staff include:
- weekly staff meetings across all sites with agendas generally set at local level provide opportunities for staff to raise any concerns they may have
- half termly meetings between Headteachers and the Chief Executive Officer are scheduled
- operating an open-door policy for all our staff throughout the trust
- at least weekly email communications from the CEO to Academy leaders
- regular letters to all staff members
- during COVID-19 meetings and briefings have continued using technology such as Zoom

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

At the centre of our engagement with suppliers, customers and other business relationships, is our ethos to ensure we receive and deliver value for money treat everyone equally and operate in a transparent and fair manner we foster our business relationships with suppliers, customers and others through:
- our communication and relationships which are delivered in a professional manner
- timely payment for goods and services
- the operation of robust tendering and procurement procedures
- ensuring all goods and services are procured through our official processes
- monitoring annual spend per supplier
- engaging with our customers to ensure they receive a good quality service
- careful vetting of suppliers and customers

Objects and Aims

The Trust was established to advance for the public benefit education in the UK by establishing, maintaining, managing and developing academies which shall offer a broad and balanced curriculum which shall include:

- Designated Church of England academies which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship; and

- Other academies whether with or without a designated religious character, but in relation to each to recognise and support their individual character and to respect the different background and links to the local community which they serve.

Objectives, Strategies and Activities

There is a strong focus on educational outcomes and working with key partners to deliver measurable and sustainable educational improvements whilst having to recognise that the recruitment and retention of good and outstanding teachers creates another challenge to our objectives. Improvement strategies have been developed and actioned for each academy dependent upon their specific needs. Six out of the ten academies in the Trust were the equivalent of sponsored academies and were deemed to be inadequate with two joining the Trust with an Ofsted good judgement. The Trust now has no academies deemed to be inadequate and eight of the ten primary academies now have Ofsted good judgements.

The Trust aims to grow at a sustainable pace and continue to improve the educational outcomes for the pupils who attend its academies. It is not actively seeking applications but will consider enquiries as they are made. It anticipates that the schools/academies that join the Trust in the future will have different Ofsted judgements and those who join will be supported by others within the Trust and by a growing support network of other schools/academies and specialist education providers.

Public Benefit

In setting our objectives and planning our activities, The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The principal public benefit delivered by the Trust is the provision of high quality education, as evidenced through the results achieved and Ofsted inspection outcomes.

The Trustees have referred to the guidance on public benefit published by the Charity Commission when reviewing the Trust's aims and objectives, in planning general activities and on reporting of its activities.

Strategic Report

Achievements and Performance

Enhance has had a year of successes and overcome the range of challenges that COVID-19 has brought. The organisation has continued to have a relentless focus on providing high quality education to the children in our schools and supporting our communities. We are very proud of the way in which our staff, children and our local communities have continued to work in partnership to respond to the challenges brought by COVID-19.

Due to COVID-19, performance data is not available for the year 2020-2021. Nevertheless, school improvement continues to be a priority and external reviews have continued to take place to quality assure the education offered by schools. The CEO continues to make regular visits to all schools as well as carrying out performance management meetings with Headteachers. Robust quality assurance of internal assessment information and data has been completed for pupils in Key Stage 1, Key Stage 2 and for Year 1 and Year 2 Phonics outcomes. Whilst assessments were not carried out nationally in 2020-2021, internal assessment information provides assurance that our schools and more importantly our children are making progress and catching up from the period of lost education.

CAPA College reported very positive A Level results in July 2021 with a 100% pass rate for grades A* to E and above and a 99% pass rate for grades A* to C. It is anticipated that progress measures will remain significantly above the national average.

By the end of the 2020-2021 academic year the Trust had eight schools judged as Good by Ofsted and two as Requires Improvement. Our free school, CAPA College, has not yet been inspected by Ofsted. These outcomes reflect the amount of hard work being undertaken by staff, governors and pupils within each Academy.

In June 2021 St. Helen's CE Primary School received an Ofsted Section 8 Monitoring Visit (its first monitoring visit since it was judged to 'require improvement' in June 2019.) HMI judged that the 'leaders and those responsible for governance are taking effective action to ensure the school receives a judgement of good at its next inspection.'

ACADEMY NAME	SIAMS JUDGEMENT	OFSTED OVERALL EFFECTIVENESS
St Botolphs CE	GOOD	RI
Christ Church CE	GOOD	GOOD
Overthorpe CE	OUTSTANDING	GOOD
St. Helen's CE	GOOD	RI
St. Giles CE	OUTSTANDING	GOOD
All Saints CE	GOOD	GOOD
St. Michael's CE	GOOD	GOOD
Lepton CE	GOOD	GOOD
Sandal Magna	N/A	GOOD
Diamond Wood	N/A	GOOD
CAPA College	N/A	N/A

It is important to report that all of the academies within the Trust remained open throughout the year. As the majority of the Trust's income is from the DfE or Local Authority grants Covid-19 has not had a material impact on income. Expenditure has changed during the year. The Trust did participate in national and local free school meals support schemes and nominal net cost to the Trust. No staff were furloughed. One of the main financial impact's on the Trust has been a £857,000 increase in the size of the defined pension scheme deficit most of which can be attributed to the economic impact of the covid virus. If the economic situation does not improve the employer's pension contribution rate will need to increase which in turn will add financial pressure onto the Trust.

The ongoing impact of the Covid-19 pandemic on the Trust has been on its pupils and staff. This has meant that recovery and catch-up programmes were needed from September 2020 and throughout the academic year. The Trust constantly reviewed its procedures and risk assessments to ensure as safe a working environment as possible for its employees who in turn have responded magnificently to the challenges raised by Covid. We have comprehensive Risk Assessments and working procedures that have been checked during Health and Safety Executive inspections and specific work plans for vulnerable staff.

Our strategic leadership changed last academic year following the retirement of our previous Chief Executive Officer, Kevin Jones. In January 2021 we welcomed Mark Randall as our new CEO. We are appreciative of the way he is leading the Trust on our continued journey.

Key Financial Performance Objectives

The key financial objective was to start using the balances brought forward to help deliver improved educational outcomes whilst ensuring that each individual academy operated with a balanced budget thereby ensuring that the Trust's overall revenue budget was in surplus. This was achieved in seven out of eleven academies with the deficit in the remainder being covered from a net surplus overall in the Trust, other than one academy that has reduced the overall deficit brought forward. 2019-2020 and 2020-2021 have proved a difficult financial year due mainly to Covid-19. However, by the end of the year almost all of the Trust's academies held a surplus carry forward balance. Future financial plans aim to maintain this position and to ensure that the Trust has a cumulative surplus throughout its five year financial plan.

Going Concern

The Trustees and Chief Executive have a reasonable expectancy 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 these financial statements.

Promoting the success of the company

The Trustees of Enhance Academy Trust promote the success of the trust by:

- ensuring that the trust is promoted in the press and social media outlets, wherever possible
- taking a strategic view so that likely long-term consequences of any decisions are fully considered
- building and maintaining good business relationships with suppliers, customers and others
- ensuring that the well-being of employees is a priority
- ensuring that all schools are engaging with their local communities ensuring that all schools continue to work closely with their local groups and other education settings

Financial Review

The majority of the Academy's income for the period to 31 August 2021 comprised of Education and Skills Funding Agency grants or local authority funding for early years and special educational needs provision. During the year capital grants from the ESFA (condition improvement fund, devolved formula capital and schools capital allocation) were received. The Trust is eligible for the School Capital Allocation funding from 2021/22. The income from generated funds was mainly derived from insurance claims, for both staff absence and assets, pupils paid for meals, school visits and the operation of day care facilities.

The Pension Reserve shows a net liability of £12,578,000 at 31 August 2020 and changes to this liability, linked to a revaluation of the LGPS (administered by The City of Bradford MDC) are being kept under regular review. The net liability at 31 August 2021 was £13,435,000 and therefore by the end of the year there has been an increase in the overall pension liability of £857,000. The Academy Trust will need to keep the pension liability under review and if it does not appear to be reducing consider increasing its employers' contribution rate in future years. The Trust decided to be treated as a single employer for LGPS purposes during 2016/17 consolidating all its pension fund assets and liabilities – prior to this decision each academy has been treated as an individual employer.

Reserves and Funds Policy

The accounts show that there is a Restricted General Fund balance of £1,074,000 (2020: £1,084,000) at the end of the year and an Unrestricted General Fund balance of £1,540,000 (2020: £1,510,000). The Trustees and Chief Executive anticipate that the majority of these funds will be used to support delivery of improved educational outcomes and to support improvements to the Trust's assets over the next three years.

Investment Policy

There is currently no overall investment policy. The majority of surplus funds are held by each academy however, the use of surplus funds has to be agreed by the Trustees and Chief Executive, in consultation with each Local Governing Body, and are released for educational and building developments only.

Principal Risks and Uncertainties

The major risks to the Academy Trust relate to financial risks as a result of falling pupil numbers and the ability to deliver strong educational outcomes for pupils as a result of the Covid-19 pandemic and the lost education experienced by all pupils. Trustees review the risks to which the trust is exposed, and systems and procedures are put into place to manage and mitigate these.

The first risk has been managed to date as a result of staffing reductions in individual schools. A Contract Management and Tendering process has been established which will lead to savings. Individual schools are also considering a marketing strategy in order to attract more pupils, especially in the Reception year.

The second risk is linked to any Trust with sponsored academies and has a higher significance for this Trust as six of its ten academies were required to be sponsored. The Trust are well aware of this risk and are constantly striving to minimise its impact on any Academy within the Trust and therefore its impact on the Trust overall.

The Trust is expecting to grow over the next three years and ensuring that this is done in a sustainable manner whilst continuing to improve outcomes for pupils and developing our own improvement capacity will require careful management.

There are a number of other key risks that the Trust itself needs to manage. These include preparing succession plans for the appointment of new Trustees and trying to recruit, retain and develop high calibre staff who in turn will play an important role in delivering improved educational outcomes for pupils.

Principal Risks and Uncertainties (continued)

The Trustees and Chief Executive also review the major risks to which each Academy within the Trust is exposed in particular those relating to educational improvements; their capacity to deliver continuous improvement, the recruitment and retention of key staff; and to the financial standing of each academy. They have introduced a number of systems to assess the risks that each Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. Many of the risks are covered by the Scheme of Delegation and further systems, including operation procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (including regular Responsible Officer visits) in order to minimise risks are in operation. Where there is likely to be a significant risk remaining, the Trustees will ensure that they have adequate insurance cover.

The Trustees had concerns about the suitability of the design, materials used to build, and the quality of the build at one of its academies. However, work started on 6 July 2020 on a major roof replacement scheme which was scheduled for completion by 31 October 2020. However, prior to this date it became clear that the remedial works needed were more extensive and complex than planned and the Local Authority stopped work on site and is reviewing further options. The work on the building is due to be complete at the beginning of 2022.

The Trustees confirm that as part of an on-going process they will identify the major risks to which the Academy Trust is likely to be exposed and will establish and review systems to mitigate any risks identified.

The principal financial risks relate to future levels of government funding. These risks can be split into three main parts. The first relates to actual pupil numbers as much of the Academy's income is derived from pupil numbers and if numbers decrease so does income. Reductions in pupil numbers can also be associated with the perception of the academy within the community it serves and Trustees use changes in pupil numbers as one of their measures in assessing this.

The second risk relates to the changes in the funding regime for schools and academies to be implemented by the Department of Education through the Education and Skills Funding Agency. The main known change is the introduction of a national funding formula. Its impact at the academy level is not yet fully known but local authorities have been moving towards the main elements of the national funding formula over recent years. Four of our academies in one local authority area are currently protected by the minimum funding guarantee and if this level of protection is not maintained, or additional funds are not allocated, these academies will need to deal with some difficult financial conditions.

The third risk relates to income not increasing to meet additional costs. Although per pupil funding has not been reduced it has also not been increasing by much to take into account for example pay awards for teachers and support staff; increased employers' pension contributions; and increased employer national insurance contributions. These, and other cost pressures, mean that in real terms the funding per pupil at each academy within the Trust has been reducing over time.

Many of these changes have an adverse impact on the Academy Trust's medium and longer term financial position and they are being managed as plans for future years are developed. The budget plans show that without taking corrective action our academies would move into a cumulative budget deficit position and therefore actions are ongoing to manage this risk.

Enhance Academy Trust

Report of the Trustees – for the year ended 31 August 2021
(Continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy Consumption used to calculate emissions (kWh)	3,861,075	3,608,827
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	382.21	369.87
Owned Transport – mini-buses	0.00	0.62
Total Scope 1	382.21	370.49
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	376.07	338.20
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	0.16	0.10
Total gross emissions in metric tonnes CO2e	376.23	338.30
Intensity Ratio		
Tonnes CO2e per pupil	0.23	0.25

Quantification and Reporting Methodology

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

We have increased video conferencing technology for Trustee/governing body and staff meetings, to reduce the need for travel between sites.

We have increased the use of webinars to deliver staff training across the Trust.

We have created a premises and estates manager position within the Trust to complete a strategic plan for the whole Trust that will be incorporating ways in which reduced emissions can be achieved in the forthcoming years.

Financial Position

The Academy held a restricted and unrestricted fund balances at 31 August 2021 of £2,614,000 (2020: £2,594,000). The Academy Trust does have a rolling five year financial plan that aims to keep the revenue budget in balance and these funds will be taken account of as the five year plan is reviewed.

Plans for Future Periods (continued)

Trustees will continue to focus on school improvement, helping our pupils to be effective learners and achieve the highest academic standards. We will ensure that our pupils follow a broad, coherent and rich curriculum with key knowledge and vocabulary carefully sequenced from Early Years to Year 6.

We recognise that our pupils will continue to require support in the coming months because of the COVID-19 pandemic and resulting lost education. We will provide practical support to help them overcome worries or difficulties they have had to face because of the pandemic. Our schools will use school-led tuition funding to provide opportunities for catch up for those pupils who require this additional support.

Each Academy has a five year plan to facilitate these aims but its delivery is dependent on developing the standing of each academy within its community; raising educational outcomes; being able to recruit and retain staff; and on having stability in the main Government funding streams. More detailed plans are included in the Development Plans for each Academy.

The Trust is the sponsor for a 500 place Post 16 Performing Arts free school. Work on the free school's prestigious new building was stopped in November 2019 due to the main contractor going into administration. A new contractor was appointed by the DfE and started work on site in August 2020. The COVID-19 pandemic delayed works, however we expect the new building will be completed in May 2022. CAPA College remains in temporary accommodation at Unity Hall, Wakefield. The new CAPA College building is in the centre of Wakefield.

As a result of the current Government's agenda, we expect the Academy Trust to expand further and growth plans are being developed to ensure there is capacity within the Central Team to support new schools as well as continue to strengthen school to school support and quality assurance.

Auditor

In so far as the Trustees and Governors are aware:

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

Independent Auditors

The appointment of the Trust's auditor Paylings is currently on an annual basis and is until the completion of the accounts for the year ending 31 August 2021.

The Chief Executive, Mark Randall, is the accounting officer, and has been advised of the implications of any internal control system review and of the need for plans to address weaknesses and to ensure continuous improvement of the system are in place.

Approved by order of the Trustees on 21 January 2022 and signed on their behalf by:-

P K Townley

The Venerable Peter Townley
Trustee

Enhance Academy Trust

Governance Statement – for the year ended 31 August 2021

Scope of Responsibility

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

The Trustees have delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to them in the funding agreement between the Enhance Academy Trust and the Secretary of State for Education. The Chief Executive is also responsible for reporting any material weaknesses or breakdowns in internal control.

Trustees

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The Trustees and Chief Executive have formally met 12 times during the year including the Trust's annual general meeting held on the 18 December 2020. Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
The Venerable Peter Townley	12	12
John McLeod	12	12
John Brady (resigned 28 January 2021)	4	4
Linda Maskill	12	12
Janet Milne	12	12
Christopher Schofield	6	12
Katharine Smith	10	12
Fiona McMahon (CAPA College only) (resigned 22 October 2021)	3	8
Chief Executive		
Mark Randall (appointed 1 January 2021)	9	9
Kevin Jones (retired 31 December 2020)	4	4

These meetings were also attended by educational and legal advisors to the Trustees.

In addition to the above the Audit & Risk Committee was formed during the year, attendance at meetings was as follows:

Trustees		
Katharine Smith	1	1
Linda Maskill	1	1
Christopher Schofield	1	1
Chief Executive		
Mark Randall (appointed 1 January 2021)	1	1

Review of Value for Money

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

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

- changing the way school improvement is delivered
- reviewing teaching and support staff structures across the Trust
- reviewing central services and charges across the Trust

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the 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 includes the adoption of the Trust's financial policy by each academy and reviews undertaken by the Trust's Responsible Officer and has been in place during all of this financial year and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Trustees have 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 Trustees are of the view that there has been an on-going process in place for identifying, evaluating and managing the academy trust's significant risks in place for the year ending 31 August 2021 and up to the date of approval of the next annual report and financial statements. The process is regularly reviewed by the Board.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring of systems with an annual budget and periodic financial reports to the local governing body and Chief Executive;
- regular reviews by the Chief Executive of reports that show actual financial performance against the forecast and reviews of major purchase and capital programmes:
- setting targets to measure financial and other performance;
- clearly defined purchasing guidelines (including for the purchase of assets);

Enhance Academy Trust

Governance Statement – for the year ended 31 August 2021
(Continued)

- identification and management of risks at each academy as well as the trust overall.

The Trustees have an external Responsible Officer ("RO"). The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. The RO reports to the designated Trustee for finance, the Chief Executive and each Local Governing Body on the operations of the systems of control and on the discharge of the Trustees financial responsibilities on a termly basis. The RO and the Chief Executive agree a programme of tests to be undertaken and these include the testing of:-

- the payroll system – including testing payroll costs to agreed establishment lists
- purchasing procedures and associated accounting arrangements
- testing of income due and received
- testing of control and bank account reconciliations.

The agreed programme of tests by the RO, and the reporting of findings and resultant action plans, have been completed for the period covered by this report. The findings from these tests are also reported to the Trustee who has specific responsibility for the financial oversight of the Trust.

The Trustees and Chief Executive are confident that the RO function is being performed in line with ESFA requirements.

Review of Effectiveness

The Chief Executive, as Accounting Officer, has responsibility for reviewing the effectiveness of the system of internal control and during the year will be informed by:

- the work of the Responsible Officer
- the work of the External Auditor
- the financial management and governance self-assessment process, and
- the work of the Senior Leadership Teams in each Academy who have responsibility for the development and maintenance of the internal control framework.
- Attending Local Governing Body and Resources Committee meetings

The accounting officer has been advised of the implications of the result of any reports and reviews undertaken by any of the above and any will address any weaknesses identified and ensure that continuous improvement of systems takes place.

Approved by order of the Trustees and Director on 21 January 2022 and signed on their behalf by:-

PK Townley

The Venerable Peter Townley
Trustee

M Randall

Mark Randall
Chief Executive and Accounting Officer

Enhance Academy Trust

Statement of Regularity, Propriety and Compliance

for the year ended 31 August 2021

As accounting officer of the Enhance Academy Trust I have considered my responsibility to notify the trustees, and the Education and Skills Funding Agency (ESFA) , of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook for Education.

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

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 trustees and the ESFA.

MRandall

Mark Randall
Chief Executive and Accounting Officer
Date: 21 January 2022

Enhance Academy Trust

Statement of Trustees' Responsibilities

for the year ended 31 August 2021

The Trustees, who are also 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 in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards (FRS 102) 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 the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 21 January 2022 and signed on their behalf by:

The Venerable Peter Townley
Trustee

Enhance Academy Trust

Independent Auditor's Report to the Members of Enhance Academy Trust

for the year ended 31 August 2021

We have audited the financial statements of Enhance Academy Trust for the year ended 31 August 2021, which comprises of the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the notes to the financial statements, including a summary of the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis of Opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's opinion thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Enhance Academy Trust

Independent Auditor's Report to the Members of the Enhance Academy Trust

for the year ended 31 August 2021
(Continued)

Opinion on other matter 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 Report of Trustee's for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustee's has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustee's.

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

- adequate accounting records have not been kept or returns adequate to 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 governors' remuneration specified by law are not made; or
  - we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's' Responsibilities set out on page 17, the governors (who are also the directors of the charitable company for the purpose 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 trustee's determine is necessary to enable to prepare financial statements that are free from material misstatement whether due to error or fraud.

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

Enhance Academy Trust

Independent Auditor's Report to the Members of the Enhance Academy Trust

for the year ended 31 August 2021
(Continued)

Our responsibilities for the audit of the financial statements (continued)

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 Report of Independent Auditors.

I Parsons FCA
For and on behalf of

Paylings
Accountants and Registered Auditors
Unit 2 Silkwood Office Park
Fryers Way
Wakefield
West Yorkshire
WF5 9TJ

Dated: 21 January 2022

Enhance Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to the Trustees of the Enhance Academy Trust and the Education and Skills Funding Agency

for the year ended 31 August 2021

In accordance with the terms of our engagement letter dated 9 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2020 to 2021 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of the Enhance Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook extant from 1 September 2020 ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Confirmation that there are no new activities within the academy trust
- Analytical review of the activities of the academy trust
- Consideration of the evidence supporting the accounting officer's statement
- Evaluation of the general control environment
- Assessment and testing of a sample of the specific control activities over regularity
    - Confirmation that each item tested has been appropriately authorised in accordance with the academy trusts delegated authorities
    - Formal representations obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations, access to accounting records and provisions of information and explanations

Enhance Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to the Trustees of the Enhance Academy Trust and the Education and Skills Funding Agency

for the year ended 31 August 2021
(Continued)

- A review of credit card expenses
- Consideration of related party transactions

Conclusion

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

Ian Parsons

I Parsons FCA
For and on behalf of

Paylings
Accountants and Registered Auditors
Unit 2 Silkwood Office Park
Fryers Way
Wakefield
West Yorkshire
WF5 9TJ

Dated: 21 January 2022

Enhance Academy Trust

Statement of Financial Activities for the year ended 31 August 2021

(incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Total 2021 £000	Total 2020 £000
Income and endowments from:						
Resources						
Donations and capital grants	2	38	-	1,372	1,410	237
Balances transferred from LA	2	-	-	-	-	1,535
Charitable Activities:						
Educational Operations	3	-	18,134	-	18,134	16,668
Other Trading Activities	4	222	264	-	486	533
Investments	5	-	-	-	-	2
Total		260	18,398	1,372	20,030	18,975
Expenditure						
Raising Funds	6,7	(9)	-	-	(9)	(15)
Charitable Activities:						
Academy's Educational Operations	6,7	(209)	(19,496)	(1,431)	(21,136)	(19,354)
Other		(12)	-	-	(12)	(13)
Impairment of assets		-	-	(1,548)	(1,548)	-
Total Resources Expended	6,7	(230)	(19,496)	(2,979)	(22,705)	(19,382)
Net Income/(Outgoing) Resources before Transfers		30	(1,098)	(1,607)	(2,675)	(407)
Gross Transfers between funds	16	-	(615)	615	-	-
Net Income/(Expenditure) for the year		30	(1,713)	(992)	(2,675)	(407)
Other Recognised Gains and Losses						
Pension Fund Deficit transferred on opening	16, 26	-	-	-	-	(443)
Actuarial gain/(losses) on defined benefit pension schemes	16, 26	-	846	-	846	(3,275)
Net Movement in Funds		30	(867)	(992)	(1,829)	(4,125)
Reconciliation of Funds						
Funds brought forward at 1 September 2020		1,510	(11,494)	21,544	11,560	15,685
Funds carried forward at 31 August 2021		1,540	(12,361)	20,552	9,731	11,560

All activities related to continuing operations. The notes on pages 26 to 47 form part of these financial statements.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Enhance Academy Trust
(Company Number 07904096)

Balance Sheet as at 31 August 2021

	NOTES	2021 £000	2021 £000	2020 £000
FIXED ASSETS				
Tangible assets	12		19,773	21,544
CURRENT ASSETS				
Stock	13	50		18
Debtors	14	801		478
Cash at bank and in hand		4,004		3,294
			4,855	3,326
CREDITORS	15			
Amounts falling due within one year			1,462	1,196
NET CURRENT ASSETS			3,393	2,594
Total assets less current liabilities (excluding pension liability)			23,166	24,138
Defined benefit Pension scheme liability	26		(13,435)	(12,578)
NET ASSETS INCLUDING PENSION LIABILITY			9,731	11,560
FUNDS OF THE ACADEMY				
RESTRICTED INCOME FUNDS				
- Fixed asset funds	16		20,552	21,544
- General funds	16		1,074	1,084
- Pension reserve	16		(13,435)	(12,578)
TOTAL RESTRICTED FUNDS			8,191	10,050
UNRESTRICTED FUNDS				
- General funds	16		1,540	1,510
TOTAL UNRESTRICTED FUNDS			1,540	1,510
TOTAL FUNDS			9,731	11,560

The financial statements on pages 26 to 47 were approved by Trustees and authorised for issue on 21 January 2022 and are signed on their behalf by:-

The Venerable Peter Townley
Chair of Trustee

Enhance Academy Trust

Cash Flow Statement for the year ended 31 August 2021

	NOTES	2021 £000	2020 £000
Cash inflow from operating activities			
Net cash provided by (used in) operating activities	18	595	2,118
Cash flows from investing activities	18	115	(1,618)
Change in cash and cash equivalents in the reporting period		710	500
Cash and cash equivalents at 1 September 2020		3,294	2,794
Cash and cash equivalents at 31 August 2021		4,004	3,294

1. STATEMENT OF ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements of Enhance Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Enhance Academy Trust meets the definition of public benefit under FRS 102.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future 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.

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.

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

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

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

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

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021 (Continued)

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Income (continued)

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

- **Donated goods, facilities and services**
  Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of 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 recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets (excluding transfers on conversion/into trust)**

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

- **Donated fixed assets on conversion**

  The opening of each academy trust involved the donation of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method. The assets and liabilities donated to each academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for the equivalent item. Their fair value is in accordance with the accounting policies of the academy trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. The value of assets donated on conversion was as follows:

Assets	- Land and Buildings	£21,365,000
	- Other fixed assets	£559,000
	- Current assets	£1,409,000
Liabilities	- Current liabilities	£232,000
	Pension	£2,931,000

  The transfer of property for the sponsored academies has either been included in the accounts based on the valuations commissioned by the ESFA except for the property for Sandal Magna, which has been included at costs based on the information provided from the local authority.

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.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Expenditure (continued)

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

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

  All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets
Assets over £500 are capitalised as tangible fixed assets and carried at cost, net of depreciation and any provision for impairment.

When 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 leasehold land, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Long leasehold and freehold buildings	60/20 years
Mechanical equipment	15 years
Fixtures, fittings and equipment	5 years
ICT equipment	3/2/1 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.

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.

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 and services it must provide.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

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

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

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

Financial Instruments
The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 note 15. 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 no obligation to deliver services rather than cash or another financial instrument.

Investments
There are no investments at 31 August 2021 and none were held during the period.

Stock
Stock is valued at the lower of cost or net realisable value.

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 any such income or gains are applied exclusively to charitable purposes.

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of the pensions over employees' working lives within 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. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

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 current service 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 on other recognised gains and losses.

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 for 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 and with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pension include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension reliability. 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 2021. 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.

Critical areas of judgement
There are no critical areas of judgement throughout the year.

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021 (Continued)

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Capital Grants	-	1,372	1,372	223
Donated assets on transfer	-	-	-	1,535
Other Donations	38	-	38	14
	38	1,372	1,410	1,772

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
General Annual Grant	-	13,338	13,338	12,473
Start Up Grants	-	63	63	100
Other DfE/EFA Grants	-	2,953	2,953	2,557
Coronavirus exceptional support	-	206	206	10
	-	16,560	16,560	15,140
Local Authority Grants	-	1,574	1,574	1,528
Other Grants	-	-	-	-
Other Grants	-	1,574	1,574	1,528
Total Grants	-	18,134	18,134	16,668

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Catering Income	59	-	59	70
Day Care/Wraparound Care	38	-	38	67
Insurance Claims	-	140	140	49
Other Income	125	124	249	347
	222	264	486	533

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021 (Continued)

5. INVESTMENT INCOME	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Deposit in Bank	-	-	-	2
	-	-	-	2

6. EXPENDITURE	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Expenditure on raising funds	9	-	9	15
Academy's Educational Operations				
- Direct Costs	-	16,513	16,513	14,490
- Allocated support costs	221	5,962	6,183	4,877
	230	22,475	22,705	19,382

Expenditure for the period includes:	Total 2021	Total 2020
Operating lease rentals	47	42
Depreciation	1,431	1,353
Fees payable to the auditor for:		
- audit	41	43

7. CHARITABLE ACTIVITIES	Total 2021 £000	Total 2020 £000
Direct costs – educational operations	16,513	14,490
Support costs – educational operations	5,962	4,602
	22,475	19,092

ANALYSIS OF SUPPORT COSTS	Total 2021 £000	Total 2020 £000
Support staff costs	3,530	2,987
Technology costs	306	262
Premises costs	655	628
Other support costs	1,369	603
Governance costs	102	122
	5,962	4,602

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021
(Continued)

8. STAFF COSTS

a) Staff costs during the period were:

	Total 2021 £000	Total 2020 £000
Wages and salaries	10,757	10,255
Social security costs	922	862
Operating costs of defined benefit pension schemes	3,075	3,130
	14,754	14,247
Supply staff costs	-	7
Staff restructuring costs	15	32
	15	39
Staff restructuring costs comprise:		
Redundancy payments	-	32
Severance payments	15	-
Other restructuring costs	-	-
	15	32

b) Non Statutory/non-contractual staff severance payments

Compromise agreements	-	-

c) Staff Numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

Charitable activities	2021 No.	2020 No.
Teachers	142	134
Administration and support	226	198
Management	13	13
	381	345

d) Higher paid staff

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

	2021 No.	(revised) 2020 No.
£60,001 to £70,000	8	1
£70,001 to £80,000	4	6
£80,001 to £90,000	0	0
£90,001 to £100,000	0	1

The total employee benefits (including employer national insurance employer pension contributions) received by higher paid staff for their services to the Academy Trust was £1,118,728 (2020: £1,229,646).

The key management personnel of the academy is at this stage deemed to be the Chief Executive.

9. RELATED PARTY TRANSACTIONS – DIRECTORS' REMUNERATION AND EXPENSES

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

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

M Randall (CEO and director) appointed 1 November 2020
Remuneration £75,000 - £80,000
Employer's Pension contributions paid £11,900

K Jones (CEO and director) resigned 31 December 2020
Remuneration £30,000 - £35,000 (2020: £90,000 - £95,000)
Employer's pension contributions paid £nil (2020: £nil)

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the trust has purchased insurance to protect trustees and officers employees from claims arising from negligent acts, errors or omissions occurring whilst they are undertaking academy business. The insurance provides cover up to £2,000,000 on any one claim.

The cost of this insurance for the period ended 31 August 2021 was £3,000 (2020: £3,000) and is included in the total insurance costs.

11. CENTRAL SERVICES

The Trust has provided the following services to its academies during the year:

Human Resources
Financial Services
Legal Services
Insurance
Financial software licences
Educational Support Services
School Improvement Support
Project Management

In 2020 the central charges equated to 4.4% of GAG. From 1 September 2021 the central charge has increased to 5.5% of GAG less the equivalent of Teachers' Pay and Teachers' Pension Grants.

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021
(Continued)

The actual amounts charged during the year were as follows:	Total 2021 £000	Total 2020 £000
Christ Church CE Academy	51	35
Overthorpe C of E Academy	54	44
Sandal Magna Community Academy	45	37
St Michael's CE Academy	78	67
St Helen's CE Primary School	43	26
Diamond Wood Community Academy	69	56
Featherstone All Saints CE Academy	38	36
St Botolph's CE Academy	55	46
CAPA College	36	35
St Giles' CE Academy	33	41
Lepton CE Academy	58	14
	560	437

12. TANGIBLE FIXED ASSETS

	Leasehold Land £000	Leasehold Buildings £000	Mechanical Equipment £000	Furniture and Equipment £000	IT Equipment £000	Vehicles £000	Total 2021 £000
Cost or Valuation							
At 1 September 2020	1,077	24,580	207	880	946	40	27,730
Donated	-	-	-	-	-	-	-
Additions	-	796	110	57	294	-	1,257
Disposals	-	(56)	-	(4)	(25)	(30)	(115)
At 31 August 2021	1,077	25,320	317	933	1,215	10	28,872
Depreciation							
At 1 September 2020	-	4,905	51	518	672	40	6,186
Charged in Year	-	1,024	19	134	254	-	1,431
Impairment	-	1,548	-	-	-	-	1,548
Disposals	-	(7)	-	(4)	(25)	(30)	(66)
At 31 August 2021	-	7,470	70	648	901	10	9,099
Net book values							
At 31 August 2021	1,077	17,850	247	285	314	-	19,773
At 31 August 2020	1,077	19,675	156	362	274	-	21,544

The Trust has challenged the condition of one of the buildings and has required a number of remedial works to be undertaken. In November 2019 a programme of works aimed at completing these remedial works was agreed with the appropriate local authority and work commenced on 6 July 2020. These works are due to be completed in early 2022.

13. STOCK

	2021 £000	2020 £000
Uniforms and other	50	18
	50	18

14. DEBTORS

	2021 £000	2020 £000
Debtors	15	13
Accrued Payments	70	38
Prepayments	405	282
VAT	311	145
	801	478

15. CREDITORS

	2021 £000	2020 £000
Trade Creditors	525	219
Other creditors	-	5
Accrued Expenditure	174	272
Receipt in advance	291	260
Other taxes and Social Security	472	440
	1,462	1,196

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021
(Continued)

16. FUNDS

	Balance at 1 September 2020 £000	Incoming Resources £000	Resources Expended £000	Gains Losses and Transfers £000	Balance at 31 August 2021 £000
Restricted general fund					
General Annual Grant	215	13,338	(12,583)	(615)	355
Start Up Grants	-	63	(63)	-	-
Pupil Premium	-	1,129	(1,129)	-	-
Other LA Grants	-	444	(444)	-	-
Other DfE Grants	-	1,645	(1,645)	-	-
UIFSM	-	385	(385)	-	-
Early Years Grant	-	1,096	(1,096)	-	-
Funds transferred from LA	150	-	(150)	-	-
Other Income	719	298	(298)	-	719
Pension Fund Deficit Transferred	(12,578)	846	(1,703)	-	(13,435)
	(11,494)	19,244	(19,496)	(615)	(12,361)
Restricted fixed asset funds					
Value of assets	9,832	-	(1,431)	-	8,401
Transfers from LA	7,708	-	(1,548)	-	6,160
DfE/EFA capital grants	2,967	1,372	-	-	4,339
Capital expenditure from GAG	702	-	-	615	1,317
Other Capital Grants	335	-	-	-	335
	21,544	1,372	(2,979)	615	20,552
Total Restricted Funds	10,050	20,616	(22,475)	-	8,191

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021 (Continued)

16. FUNDS (continued)

	Balance at 1 September 2020 £000	Incoming Resources £000	Resources Expended £000	Gains Losses and Transfers £000	Balance at 31 August 2021 £000
Unrestricted funds					
Funds transferred from LA	1,113	-	(65)	-	1,048
Voluntary Income	231	38	(38)	-	231
Other Income	166	222	(127)	-	261
Total Unrestricted Funds	1,510	260	(230)	-	1,540
Total Funds	11,560	20,876	(22,705)	-	9,731

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

	Balance at 1 September 2019 £000	Incoming Resources £000	Resources Expended £000	Gains Losses and Transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant	688	12,473	(12,801)	(145)	215
Start Up Grants	-	100	(100)	-	-
Pupil Premium and other grants	-	1,100	(1,100)	-	-
Other Grants/Income	-	-	-	-	-
Local authority income	-	1,195	(1,195)	-	-
Early Years Grant	-	1,169	(1,169)	-	-
Funds transferred from LA	85	65		-	150
Use of Sponsor's Grants	-	-	-	-	-
Other Income	-	826	(107)	-	719
Pension Fund Deficit Transferred	(5,677)	-	-	(443)	(6,120)
Pension cost in year	(1,916)	-	(1,267)	(3,275)	(6,458)
	(6,820)	16,928	(17,739)	(3,863)	(11,494)
Restricted fixed asset funds					
Value of assets	11,185	-	(1,353)	-	9,832
Transfers from LA	6,238	1,470	-	-	7,708
DfE/EFA capital grants	2,744	223	-	-	2,967
Capital expenditure from GAG	557	-	-	145	702
Other Capital Grants	335	-	-	-	335
	21,059	1,693	(1,353)	145	21,544
Total Restricted Funds	14,239	18,621	(19,092)	(3,718)	10,050

16. FUNDS (continued)

	Balance at 1 September 2019 £000	Incoming Resources £000	Resources Expended £000	Gains Losses and Transfers £000	Balance at 31 August 2020 £000
Unrestricted funds					
Funds transferred from LA	1,048	65	-	-	1,113
Voluntary Income	231	28	(28)	-	231
Other Income	167	261	(262)	-	166
Total Unrestricted Funds	1,446	354	(290)	-	1,510
Total Funds	15,685	18,975	(19,382)	(3,718)	11,560

The specific purposes of each fund are explained in more detail below:
The restricted general fund is used in the main to record income and expenditure associated with the delivery of the learning experiences provided to pupils. The restricted fixed asset fund records the value of assets over £500 utilised by each academy, additions to these assets, and depreciation over their economic lives. The high value of this fund reflects the value of the assets transferred to the Academy Trust when each school became an academy building that will be depreciated over their anticipated useful lives.

The unrestricted fund includes the revenue balances of each academy transferred to the Trust from the appropriate local authority and other activities undertaken by each academy. The majority of this fund will also be used to enhance the educational experiences offered to pupils.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Total Funds 2021 £000	Total Funds 2020 £000
Funds balances at 31st August 2021 are represented by:					
Tangible fixed assets	-	-	19,773	19,773	21,544
Current assets	1,540	2,536	779	4,855	3,790
Current liabilities	-	(1,462)	-	(1,462)	(1,196)
Pension scheme liability	-	(13,435)	-	(13,435)	(12,578)
	1,540	(12,361)	20,552	9,731	11,560

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021
(Continued)

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Total Funds 2020 £000
Funds balances at 31st August 2020 are represented by:				
Tangible fixed assets	-	-	21,544	21,544
Current assets	1,510	2,280	-	3,790
Current liabilities	-	(1,196)	-	(1,196)
Pension scheme liability	-	(12,578)	-	(12,578)
	1,510	(11,494)	21,544	15,685

18. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
Net income for the Year	(2,675)	(407)
Adjusted for:		
Depreciation	1,431	1,353
Impairment	1,548	
Profit/loss on disposal of assets	49	1
Capital grants from DfE/EFA and other capital income	(1,372)	(223)
Defined benefit pension scheme cost less contributions payable	1,495	1,124
Defined benefit pension finance cost	208	143
(Increase)/Decrease in stocks	(32)	2
(Increase)/Decrease in debtors	(323)	34
Increase/(Decrease) in creditors	267	89
Rounding adjustments	(1)	2
Net cash provided by/(used in) operating activities	595	2,118

Cash flows from investing activities	**2021 £000**	**2020 £000**
Purchase of tangible fixed assets	(1,257)	(371)
Capital grants from DfE/EFA	1,372	223
Capital grants from others	-	-
Transfer from Local Authority	-	(1,470)
	115	(1,618)

Analysis of cash and cash equivalents	**2021 £000**	**2020 £000**
Cash in hand and at bank	4,004	3,294
Total cash and cash equivalents	4,004	3,294

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021
(Continued)

19. ANALYSIS OF ACADEMIES

Analysis of Academies by fund balance

	2021 £000	2020 £000
Fund balances at 31st August 2021 were allocated as follows:		
Christ Church CE Academy	390	369
Overthorpe CE Academy	31	(4)
Sandal Magna Community Academy	352	296
St. Michael's CE Academy	493	397
St. Helen's CE Academy	41	64
Diamond Wood Community	407	289
Featherstone All Saints	145	198
St Botolph's CE Academy	615	851
CAPA College	197	58
St Giles'	(44)	(108)
Lepton CE Academy	39	95
Enhance Academy Trust	(52)	89
	2,614	2,594
Restricted fixed asset fund	20,552	21,544
Pension Reserve	(13,435)	(12,578)
Total	9,731	11,560

Analysis of Academies by cost

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding) Depreciation £000	Total 2021 £000	Total 2020 £000
Christ Church CE Academy	1,081	156	143	168	1,548	1,386
Overthorpe CE Academy	1,101	218	98	298	1,715	1,677
Sandal Magna Community Academy	852	166	143	169	1,330	1,302
St. Michael's CE Academy	1,539	214	279	378	2,410	2,395
St. Helen's CE Academy	880	159	114	203	1,356	1,296
Diamond Wood Community Academy	1,417	212	184	227	2,040	1,880
Featherstone All Saints CE Academy	830	118	118	135	1,201	1,131
St Botolph's CE Academy	1,112	136	122	219	1,589	1,410
CAPA College	668	350	203	278	1,499	1,237
St Giles' CE Academy	1,381	201	124	181	1,887	1,669
Lepton CE Academy	735	55	104	163	1,057	535
Enhance Academy Trust	71	1,102	49	872	2,094	2,111
	11,667	3,087	1,681	3,291	19,726	18,029

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2021
(Continued)

20. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2021 £000	2020 £000
Land and Buildings	796	1,517
Mechanical Equipment	110	44
Furniture and equipment	57	138
IT equipment	294	142
Vehicles	-	-
Cash outflow from capital expenditure	1,257	1,841

21. CAPITAL COMMITMENTS

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	883	12

The capital commitments will be funded from the Condition Improvement Fund and funds built up for a nursery building at St Botolphs.

22. OPERATING LEASE COMMITMENTS

	2021 £000	2020 £000
Other		
Due within one year	42	39
Due within two and five years inclusive	58	61
Due in over five years	-	-
	100	100

23. CONTINGENT LIABILITIES

There are no known contingent liabilities other than the dispute between the Trust and Wakefield MDC about the poor condition of the land and buildings at one of the sites transferred. Remedial work has commenced by the Council but there is still some remedial work outstanding that the Trust requires to be completed to its satisfaction. On the 5th November 2019 a programme of remedial works was agreed with the Council and work started on 6 July 2020. The remedial works are due to be completed by the end of February 2022.

23A. CONTINGENT ASSETS

There are no known contingent assets.

24. 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 required, but not exceeding £10.00, for the debts and liabilities contracted before he/she ceases to be a member.

25. RELATED PARTY TRANSACTIONS

Services are supplied to some of the academies in the Trust by companies which two Trustees have interests. One Trustee is the managing director and majority shareholder of a company that provided sickness absence insurance and HR Services amounting to £126,938 (2020: £79,256), the Trustee resigned in January 2021 following communication with the ESFA and the conclusion being that these transactions were not deemed to be at arms' length.

The other Trustee is the Managing Partner of a company that provided legal services to the Trust amounting to £6,920 (2020: £27,890). All of the services provided were at arms' length and the other Trustees are aware of all related party transactions.

An employee of the trust provided services to a company owned by a Trustee, a total amount of £9,047 (2020: £20,206) was invoiced for those services.

26. PENSION AND SIMILAR OBLIGATIONS

The Academy Trust's employees belong to two principal 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 the Bradford Metropolitan District Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £249,282 were payable to the schemes at 31 August 2021 (2020: £227,807).

The Teachers' Pension Scheme

Introduction
The TPS is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both members and employer make 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.

26. PENSION AND SIMILAR OBLIGATIONS (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 of 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 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 total employer's pension contributions to the TPS during this year amounted to £1,464,908 (2020: £1,251,000).

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

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

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Each Academy was deemed to have joined the scheme on the date of conversion.

The total contribution made for the year ended 31 August 2021 was £1,013,000 (2020: £866,000), of which employers' contributions totalled £745,000 (2020: £632,000), and employees' contributions totalled £268,000 (2020: £234,000). The agreed contribution rates for each academy for future years is currently 15.3% and from 5.5% for employees' dependent on their earnings.

From the 1 April 2016 the Trust converted to being treated as one employer within the LGPS and its consolidated employer's contributions rate is 15.3%.

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.

26. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (LGPS) (continued)

Principal Actuarial Assumptions	At 31 August 2021	At 1 September 2020
Rate of increase in salaries	3.85%	3.55%
Rate of increase for pensions in payment/inflation	2.60%	2.30%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.30%
Commutation of pensions to lump sums	75.00%	75.00%

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

	At 31 August 2021	At 1 September 2020
Retiring today		
Males	21.9	21.8
Females	24.7	24.6
Retiring in 20 years		
Males	22.6	22.5
Females	25.8	25.7

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

	Fair value at 31 August 2021 £000	Fair Value 1 September 2020 £000
Equity instruments	14,462	11,047
Debt instruments	2,885	2,541
Property	685	611
	18,032	13,144

The actual return on employer asset was £3,176,000 (2020: £(5,000).

Amounts recognised in the statement of financial activities	2021 £000	2020 £000
Current Service cost	2,224	1,756
Past service cost	-	-
Net interest on defined benefit liability	208	143
Curtailment cost	16	-
Total operating charge	2,448	1,899

26. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in other comprehensive income	**2021 £000**	**2020 £000**
Asset gains during the period	2,929	(266)
Actuarial gains/(losses) due to financial assumptions	(2,326)	(3,364)
Actuarial gains/(losses) due to liability experience	243	(565)
Actuarial gains/(losses) due to demographic assumptions	0	920
	846	(3,275)

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

	2021 £000	**2020 £000**
At 1 September 2020	26,777	20,737
Current service cost	2,224	1,756
Interest cost	455	404
Employee contributions	268	234
Benefits paid out	(356)	(254)
Past service cost	-	-
Net increase in liability from acquisitions	-	891
Actuarial gains/(losses) due to liability experience	(243)	565
Actuarial (gains)/losses due to financial assumptions	2,326	3,364
Actuarial (gains)/losses due to demographic assumptions	-	(920)
Curtailment cost	16	-
At 31 August 2021	31,467	26,777

Changes in the fair view of the academy's share of scheme assets

	2021 £000	**2020 £000**
At 1 September 2020	14,199	13,144
Interest income on assets	247	261
Re-measurement gain/(loss) on assets	2,929	(266)
Contributions by the Employer	745	632
Contributions by Members	268	234
Net benefits paid out	(356)	(254)
Net increase in assets from acquisition	-	448
At 31 August 2021	18,032	14,199

27. EVENTS AFTER THE END OF THE REPORTING PERIOD

The building works at Sandal Magna are due to be completed at the beginning of 2022.

The completion of the new building at CAPA College is due to completed before the end of the 2021/22 academic year. The intention is to open to students on 1 September 2022.