

Company No. 07904096 (England & Wales)

**ENHANCE ACADEMY TRUST
(A Company limited by guarantee)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

Enhance Academy Trust

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

Members	The Venerable Peter Townley John McLeod Canon Richard Noake
Trustees	The Venerable Peter Townley John McLeod (resigned 4 July 2022) Linda Maskill Janet Milne Christopher Schofield Katharine Smith Fiona McMahon (resigned 22 October 2021) Mark Randall Claire Screeton (appointed 20 May 2022)
Chief Executive	Mark Randall
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	Unit 7, Paragon Business Park Red Hall Court Wakefield WF1 2UY
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 2022

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

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. Using the data used by the Education and Skills Funding Agency (ESFA) for funding during the year the ten primary academies had 2,603 pupils aged between 4 to 11 on roll and an additional 417 full time nursery pupils. The free school had 282 pupils on roll in September 2021, 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 2021-2022 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 27 to 48 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 2021 to 2022.

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 2022

(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 Trustees followed a robust benchmarking process to review the Chief Executive salary with effect from January 2022. Advice and guidance was sought from the National Governance Association. His total remuneration package, including Executive's salary, 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.

Enhance Academy Trust

Report of the Trustees – for the year ended 31 August 2022

(Continued)

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 was completed in 2021-2022 to develop the framework around which we engage with and improve Trust wide communication with colleagues. The Central Team reviewed the operations of the Trust, in partnership with schools and delivered 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
- a termly newsletter to all schools

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

Enhance Academy Trust

Report of the Trustees – for the year ended 31 August 2022

(Continued)

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 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.

Enhance Academy Trust**Report of the Trustees – for the year ended 31 August 2022****(Continued)****Strategic Report****Achievements and Performance****Ofsted and SIAMS**

ACADEMY NAME	SIAMS JUDGEMENT	DATE	OVERALL EFFECTIVENESS	INSPECTION DATE
Lepton CE	GOOD	09/02/2018	GOOD	03/12/2015
Sandal Magna CE			GOOD	02/11/2022
Overthorpe CE	OUTSTANDING	10/06/2015	GOOD	29/01/2019
Diamond Wood	N/A	N/A	GOOD	03/04/2019
St. Helen's CE	GOOD	19/01/2016	RI	05/06/2019
All Saints CE	GOOD	01/02/2017	GOOD	06/11/2019
St. Giles CE	OUTSTANDING	06/12/2016	GOOD	04/03/2020
Christ Church CE	GOOD	15/03/2022	GOOD	02/12/2021
CAPA College			OUTSTANDING	27/01/2022
St. Michael's CE	GOOD	03/10/2017	GOOD (Declining)	17/03/2022
St Botolph's CE	GOOD	02/12/2021	RI	06/07/2022

The Trust has undergone four Ofsted inspections, returning mixed, but unexpected outcomes. Changes to leadership at St. Botolph's is already having impact. Robust support is also being provided to St. Michael's. The Trust was extremely delighted with the outcome of CAPA College's Ofsted inspection – the first since its opening as a free school.

Year 1 Phonics

	% Meeting the Expected Standard
Christ Church CE Academy	67%
Diamond Wood Community Academy	73%
Featherstone All Saints CofE Academy	83%
Horbury Bridge CE Academy	73%
Lepton CofE Primary Academy	76%
Overthorpe CofE Academy	62%
Sandal Magna Community Academy	86%
St Botolphs CE Academy	68%
St Giles CofE Academy	67%
St Helen's CE Primary School	86%
St Michael's CofE Academy	76%
NATIONAL AVERAGE	75%

Seven schools returned outcomes in line or above the national average. It is important to note that all schools have embedded a robust curriculum and approach to the teaching of phonics showing fidelity to their chosen systematic, synthetic phonics scheme and progress since the beginning of the academic year was strong.

In the schools where attainment was below the national average, the proportion of non-SEN pupils meeting the check was in line or above with the national average. The high proportion of SEN pupils in some Year 1 cohorts has resulted in overall attainment being lower than the national average in some schools.

Key Stage 1

	Reading	Writing	Mathematics
	% Expected +	% Expected +	% Expected +
Christ Church CE Academy	48%	37%	44%
Diamond Wood Community Academy	59%	60%	66%
Featherstone All Saints CofE Academy	73%	70%	80%
Lepton CofE Primary Academy	78%	67%	81%
Overthorpe CofE Academy	39%	24%	24%
Sandal Magna Community Academy	43%	36%	43%
St Botolph's CE Academy	64%	50%	69%
St Giles CofE Academy	67%	64%	69%
St Helen's CE Primary School	63%	63%	67%
St Michael's CofE Academy	57%	47%	57%
NATIONAL AVERAGE	67%	58%	68%

Key Stage 1 outcomes remain below the national average in all subjects in many schools. The Year 2 cohort experienced significant lost learning as a result of the Covid-19 pandemic. Although outcomes are lower than we would want, pupils in the vast majority of schools made strong progress from their starting points.

The Year 2 pupils at Sandal Magna experienced significant additional staffing challenges across the whole of the academic year.

Key Stage 2 Attainment

	Reading	Writing	Mathematics	Combined
	% Expected +	% Expected +	% Expected +	% Expected +
Christ Church CE Academy	43%	64%	46%	39%
Featherstone All Saints CofE Academy	78%	84%	97%	75%
Lepton CofE Primary Academy	88%	83%	79%	75%
Overthorpe CofE Academy	63%	50%	63%	41%
Sandal Magna Community Academy	67%	67%	57%	53%
St Botolphs CE Academy	71%	69%	67%	57%
St Giles CofE Academy	72%	77%	72%	67%
St Helen's CE Primary School	73%	73%	63%	60%
St Michael's CofE Academy	76%	68%	75%	64%
NATIONAL AVERAGE	74%	69%	71%	59%

This year, six schools achieved Combined attainment in line or above the national average. Sandal Magna and St Helen's returned much improved results in all subjects when compared to 2019. Overthorpe and Christ Church returned much lower than anticipated results as a result of pupils not making enough progress across Key Stage 2.

In overall Combined attainment, the Trust has seen an increase of 12% when compared to 2019, with attainment now being in line with the national average. The national average has decreased by 6%.

Key Stage 2 Progress

	Reading	Writing	Mathematics
Christ Church CE Academy	-5.8	0.0	-2.8
Featherstone All Saints CofE Academy	-0.2	1.6	2.6
Lepton CofE Primary Academy	1.1	0.4	2.7
Overthorpe CofE Academy	-2.9	-3.4	-1.9
Sandal Magna Community Academy	-0.5	0.5	0.1
St Botolphs CE Academy	-1.0	0.6	-1.3
St Giles CofE Academy	0.8	1.6	1.2
St Helen's CE Primary School	-1.1	0.5	-0.9
St Michael's CofE Academy	0.8	-1.8	0.8
NATIONAL AVERAGE	0.0	0.0	0.0

Enhance Academy Trust

Report of the Trustees – for the year ended 31 August 2022 (Continued)

Progress across Key Stage 2 is at least average in six schools. Progress at Christ Church, Overthorpe and St Michael's is below average in at least one subject area. Progress in all subjects at St. Helen's and in Reading at Sandal Magna has improved significantly when compared to 2019.

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 the Trust's overall revenue budget was in surplus. At 31 August 2022 three of the eleven academies had a deficit carry forward balance, however, the overall Trust reserves were in surplus. 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 2022 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. 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 £13,435,000 at 31 August 2021 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 2022 was £342,000 and therefore by the end of the year there has been a decrease in the overall pension liability of £13,093,000. The Academy Trust will need to keep the pension liability under review and if

Enhance Academy Trust

Report of the Trustees – for the year ended 31 August 2022 **(Continued)**

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 £136,000 (2021: £1,074,000) at the end of the year and an Unrestricted General Fund balance of £1,543,000 (2021: £1,540,000). 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, increased energy costs and unfunded support staff and teachers' pay increases. Trustees review the risks to which the trust is exposed, and systems and procedures are put into place to manage and mitigate these. The second risk relates to the quality of education provided by schools and Ofsted judgements.

The 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. We have also developed 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. A new School Improvement Strategy was introduced in September 2021 which ensures more formal monitoring, challenge, support and collaboration for all schools.

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.

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 that are in operation. Where there is likely to be a significant risk remaining, the Trustees will ensure that they have adequate insurance cover.

Enhance Academy Trust**Report of the Trustees – for the year ended 31 August 2022**
(Continued)

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. The work on the building was completed during April 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 increasing costs. Although per pupil funding has not been reduced it has also not been increasing by much to take into account for example energy costs, 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 2022
(Continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy Consumption used to calculate emissions (kWh)	3,155,356	3,861,075
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	348.33	382.21
Owned Transport – mini-buses	0.28	0.00
Total Scope 1	348.33	382.21
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	240.46	376.07
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	0.13	0.16
Total gross emissions in metric tonnes CO2e	589.20	759.04
Intensity Ratio		
Tonnes CO2e per pupil	0.18	0.23
	<p><u>Quantification and Reporting Methodology</u></p> <ul style="list-style-type: none"> 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. <p><u>Intensity measurement</u></p> <p>The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.</p> <p><u>Measures taken to improve energy efficiency</u></p> <p>We have increased video conferencing technology for Trustee/governing body and staff meetings, to reduce the need for travel between sites.</p> <p>We have increased the use of webinars to deliver staff training across the Trust.</p> <p>The Trust is developing a strategic plan that will incorporate ways in which reduced emissions can be achieved in the forthcoming years.</p>	

Financial Position

The Academy held restricted and unrestricted fund balances at 31 August 2022 of £1,679,000 (2021: £2,614,000). 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.

Enhance Academy Trust

Report of the Trustees – for the year ended 31 August 2022
(Continued)

Plans for Future Periods

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. 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, CAPA College. Students and staff moved into the completed building in September 2022; the lease at Unity Hall has now ceased.

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 2022.

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 16 December 2022 and signed on their behalf by:-

The Venerable Peter Townley
Trustee



Enhance Academy Trust

Governance Statement – for the year ended 31 August 2022

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that 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 11 times during the year including the Trust's annual general meeting held on the 17 December 2021. Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
The Venerable Peter Townley	11	11
John McLeod (resigned 4 July 2022)	9	10
Linda Maskill	11	11
Janet Milne	9	11
Christopher Schofield	3	11
Katharine Smith	8	11
Fiona McMahon (CAPA College only) (resigned 22 October 2021)	0	0
Claire Screeton (appointed 20 May 2022)	3	3
Chief Executive		
Mark Randall (appointed 1 January 2021)	11	11

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	3	3
Linda Maskill	3	3
Christopher Schofield	2	3
John McLeod	1	2
Claire Screeton (appointed 20 May 2022)	0	0
Chief Executive		
Mark Randall	3	3

Enhance Academy Trust

Governance Statement – for the year ended 31 August 2022 **(Continued)**

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 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 2022 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 2022
(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.

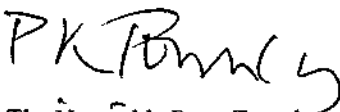
Review of Effectiveness

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:

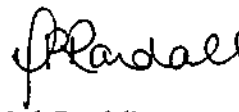
- the work of the Responsible Officer
- the work of the External Auditor
- the financial management and governance self-assessment process
- and the work of the Senior Leadership Teams in each Academy who have responsibility for the development and maintenance of the internal control framework.
- Attending 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 16 December 2022 and signed on their behalf by:-



The Venerable Peter Townley
Trustee



Mark Randall
Chief Executive and Accounting Officer

Enhance Academy Trust
Statement of Regularity, Propriety and Compliance
for the year ended 31 August 2022

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.



Mark Randall
Chief Executive and Accounting Officer
Date: 16 December 2022

Enhance Academy Trust

Statement of Trustees' Responsibilities

for the year ended 31 August 2022

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 2021 to 2022,
- 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 16 December 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 2022

We have audited the financial statements of Enhance Academy Trust for the year ended 31 August 2022, 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 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

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 2022
(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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Trustees.

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 Trustees' Responsibilities set out on page 18, 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 2022

(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.

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: 16 December 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 2022

In accordance with the terms of our engagement letter dated 23 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2021 to 2022 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2021 ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 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 2022

(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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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: 16 December 2022

Enhance Academy Trust**Statement of Financial Activities for the year ended 31 August 2022****(incorporating an Income and Expenditure Account)**

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:						
Resources						
Donations and capital grants	2	27	-	12,867	12,894	1,410
Balances transferred from LA	2	-	-	-	-	-
Charitable Activities:						
Educational Operations	3	-	18,989	-	18,989	18,134
Other Trading Activities	4	279	334	-	613	486
Investments	5	-	-	-	-	-
Total		306	19,323	12,867	32,496	20,030
Expenditure						
Raising Funds	6,7	(39)	-	-	(39)	(9)
Charitable Activities:						
Academy's Educational Operations	6,7	(264)	(21,639)	(1,409)	(23,312)	(21,136)
Other		-	-	-	-	(12)
Impairment of assets		-	-	-	-	(1,548)
Total Resources Expended	6,7	(303)	(21,639)	(1,409)	(23,351)	(22,705)
Net Income/(Outgoing)						
Resources before Transfers		3	(2,316)	11,458	9,145	(2,675)
Gross Transfers between funds	16	-	(623)	623	-	-
Net Income/(Expenditure) for the year		3	(2,939)	12,081	9,145	(2,675)
Other Recognised Gains and Losses						
Pension Fund Deficit transferred on opening	16, 26	-	-	-	-	-
Actuarial gain/(losses) on defined benefit pension schemes	16, 26	-	15,094	-	15,094	846
Net Movement in Funds		3	12,155	12,081	24,239	(1,829)
Reconciliation of Funds						
Funds brought forward at 1 September 2021		1,540	(12,361)	20,552	9,731	11,560
Funds carried forward at 31 August 2022		1,543	(206)	32,633	33,970	9,731

All activities related to continuing operations. The notes on pages 27 to 48 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 2022

	NOTES	£000	2022 £000	2022 £000	2021
FIXED ASSETS					
Tangible assets	12			32,033	19,773
CURRENT ASSETS					
Stock	13		22		50
Debtors	14		799		801
Cash at bank and in hand			3,021		4,004
			-----	3,842	4,855
CREDITORS					
Amounts falling due within one year	15			(1,563)	(1,462)
NET CURRENT ASSETS					
				-----	2,279
				-----	3,393
Total assets less current liabilities (excluding pension liability)					
Defined benefit Pension scheme liability	26			(342)	(13,435)
NET ASSETS INCLUDING PENSION LIABILITY					
				-----	33,970
				=====	9,731
FUNDS OF THE ACADEMY					
RESTRICTED INCOME FUNDS					
- Fixed asset funds	16			32,633	20,552
- General funds	16			136	1,074
- Pension reserve	16			(342)	(13,435)
TOTAL RESTRICTED FUNDS					
				-----	32,427
				=====	8,191
UNRESTRICTED FUNDS					
- General funds	16			1,543	1,540
TOTAL UNRESTRICTED FUNDS					
				-----	1,543
				-----	1,540
TOTAL FUNDS					
				-----	33,970
				=====	9,731

The financial statements on pages 24 to 48 were approved by Trustees and authorised for issue on 16 December 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 2022**

	NOTES	2022 £000	2021 £000
Cash inflow from operating activities			
Net cash provided by (used in) operating activities	18	(164)	595
Cash flows from investing activities	18	(819)	115
Change in cash and cash equivalents in the reporting period		<u>(983)</u>	<u>710</u>
Cash and cash equivalents at 1 September 2021		4,004	3,294
Cash and cash equivalents at 31 August 2022		<u>3,021</u>	<u>4,004</u>

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2022

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 2021 to 2022 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 2022

(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 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.

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)**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.

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022****(Continued)****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 2022 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.

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2022
(Continued)

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 liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 2022****(Continued)****2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Capital Grants	-	1,003	1,003	1,372
Donated assets on transfer	-	-	-	-
Assets donated from DfE	-	11,864	11,864	-
Other Donations	27	-	27	38
	<hr/> 27	<hr/> 12,867	<hr/> 12,894	<hr/> 1,410

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
General Annual Grant	-	14,079	14,079	13,338
Start Up Grants	-	72	72	63
Other DfE/EFA Grants	-	2,918	2,918	2,953
Coronavirus exceptional support	-	267	267	206
	<hr/> -	<hr/> 17,336	<hr/> 17,336	<hr/> 16,560
Local Authority Grants	-	1,653	1,653	1,574
Other Grants	-	-	-	-
	<hr/> -	<hr/> 1,653	<hr/> 1,653	<hr/> 1,574
Total Grants	<hr/> -	<hr/> 18,989	<hr/> 18,989	<hr/> 18,134

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Catering Income	104	-	104	59
Day Care/Wraparound Care	77	-	77	38
Insurance Claims	-	131	131	140
Other Income	98	203	301	249
	<hr/> 279	<hr/> 334	<hr/> 613	<hr/> 486

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022****(Continued)**

5. INVESTMENT INCOME	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Deposit in Bank	-	-	-	-
	-	-	-	-
	-	-	-	-
6. EXPENDITURE	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Expenditure on raising funds	39	-	39	9
Academy's Educational Operations				
- Direct Costs	-	16,279	16,279	16,513
- Allocated support costs	264	6,769	7,033	6,183
	303	23,048	23,351	22,705
Expenditure for the period includes:			Total 2022	Total 2021
Operating lease rentals			70	47
Depreciation			1,409	1,431
Fees payable to the auditor for:				
- audit			37	41
7. CHARITABLE ACTIVITIES			Total 2022 £000	Total 2021 £000
Direct costs – educational operations			16,279	16,513
Support costs – educational operations			6,769	5,962
			23,048	22,475
ANALYSIS OF SUPPORT COSTS				
			Total 2022 £000	Total 2021 £000
Support staff costs			4,499	3,530
Technology costs			320	306
Premises costs			909	655
Other support costs			935	1,369
Governance costs			106	102
			6,769	5,962

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)

8. STAFF COSTS	Total 2022 £000	Total 2021 £000
a) Staff costs during the period were:		
Wages and salaries	11,365	10,757
Social security costs	1,005	922
Operating costs of defined benefit pension schemes	4,193	3,075
	16,563	14,754
Supply staff costs	-	-
Staff restructuring costs	18	15
	18	15
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	18	15
Other restructuring costs	-	-
	18	15
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:		
	2022	2021
Charitable activities	No.	No.
Teachers	137	142
Administration and support	202	226
Management	13	13
	352	381
d) Higher paid staff		
The number of employees whose employee benefits (excluding employer national insurance and employer pension costs) exceeded £60,000 was:		
	2022	2021
	No.	No.
£60,001 to £70,000	8	8
£70,001 to £80,000	5	4
£80,001 to £90,000	0	0
£90,001 to £100,000	0	0
£100,001 to £110,000	1	0

The total employee benefits (including employer national insurance and employer pension contributions) received by higher paid staff for their services to the Academy Trust was £1,367,741 (2021: £1,118,728).

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

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2022
(Continued)

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 £100,000-£110,000 (2021: £75,000 - £80,000)
Employer’s Pension contributions paid £18,040 (2021: £11,900)

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 2022 was £3,000 (2021: £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
Procurement

From 1 September 2021 the central charge increased to 5.5% of GAG less the equivalent of Teachers’ Pay and Teachers’ Pension Grants. From 1 September 2022 the central charge will be 5.5% of GAG plus an additional 5.5% of supplementary grant funding. St Giles have paid an additional amount for funding paid to clear creditors and additional support during the year. This arrangement is for a 3 year period.

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022****(Continued)**

	Total 2022 £000	Total 2021 £000
The actual amounts charged during the year were as follows:		
Christ Church CE Academy	63	51
Overthorpe C of E Academy	69	54
Sandal Magna Community Academy	56	45
St Michael's CE Academy	99	78
St Helen's CE Primary School	55	43
Diamond Wood Community Academy	90	69
Featherstone All Saints CE Academy	49	38
St Botolph's CE Academy	71	55
CAPA College	49	36
St Giles' CE Academy	109	33
Lepton CE Academy	43	58
	<hr/> 753	<hr/> 560

12. TANGIBLE FIXED ASSETS

	Leasehold Land £000	Leasehold Buildings £000	Mechanical Equipment £000	Furniture and Equipment £000	IT Equipment £000	Vehicles £000	Total 2022 £000
Cost or Valuation							
At 1 September 2021	1,077	25,320	317	933	1,215	10	28,872
Donated	625	10,043	-	1,150	46	-	11,864
Additions	-	1,335	46	170	271	-	1,822
Disposals	-	(8)	(1)	(5)	(31)	-	(45)
	<hr/> 1,702	<hr/> 36,690	<hr/> 362	<hr/> 2,248	<hr/> 1,501	<hr/> 10	<hr/> 42,513
Depreciation							
At 1 September 2021	-	7,470	70	648	901	10	9,099
Charged in Year	9	1,048	25	122	205	-	1,409
Disposals	-	-	-	(3)	(25)	-	(28)
	<hr/> 9	<hr/> 8,518	<hr/> 95	<hr/> 767	<hr/> 1,081	<hr/> 10	<hr/> 10,480
Net book values							
At 31 August 2022	1,693	28,172	267	1,481	420	0	32,033
At 31 August 2021	1,077	17,850	247	285	314	-	19,773

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 now complete.

The new building of CAPA College was completed in May 2022. The additions include the building on Mulberry Way, Wakefield.

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)

13. STOCK	2022	2021
	£000	£000
Uniforms and other	22	50
	<hr/>	<hr/>
	22	50
	<hr/>	<hr/>
14. DEBTORS	2022	2021
	£000	£000
Debtors	31	15
Accrued Payments	39	70
Prepayments	326	405
VAT	242	311
Other debtors	161	-
	<hr/>	<hr/>
	799	801
	<hr/>	<hr/>
15. CREDITORS	2022	2021
	£000	£000
Trade Creditors	210	525
Other creditors	40	-
Accrued Expenditure	576	174
Receipt in advance	263	291
Other taxes and Social Security	474	472
	<hr/>	<hr/>
	1,563	1,462
	<hr/>	<hr/>

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)

16. FUNDS	Balance at 1 September 2021 £000	Incoming Resources £000	Resources Expended £000	Gains Losses and Transfers £000	Balance at 31 August 2022 £000
Restricted general fund					
General Annual Grant	355	14,079	(13,675)	(623)	136
Start Up Grants	-	72	(72)	-	-
Pupil Premium	-	1,139	(1,139)	-	-
Other LA Grants	-	683	(683)	-	-
Other DfE Grants	-	1,693	(1,693)	-	-
UIFSM	-	353	(353)	-	-
Early Years Grant	-	970	(970)	-	-
Funds transferred from LA	-	-	-	-	-
Other Income	719	334	(1,053)	-	-
Pension Fund Deficit Transferred	(13,435)		(2,001)	-	(342)
	(12,361)	34,417	(21,639)	(623)	(206)
Restricted fixed asset funds					
Value of assets	8,401	-	(1,409)	-	6,992
Transfers from LA	6,160	-	-	-	6,160
DfE/EFA capital grants	4,339	12,867	-	-	17,206
Capital expenditure from GAG	1,317	-	-	623	1,940
Other Capital Grants	335	-	-	-	335
	20,552	12,867	(1,409)	623	32,633
Total Restricted Funds	8,191	47,284	(23,048)	-	32,427
Unrestricted funds					
Funds transferred from LA	1,048	-	-	-	1,048
Voluntary Income	231	27	(27)	-	231
Other Income	261	279	(276)	-	264
Total Unrestricted Funds	1,540	306	(303)	-	1,543
Total Funds	9,731	47,590	(23,351)	-	33,970

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)**16. FUNDS (continued)**

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

	Balance at 1 September 2020 £000	Incoming Resources £000	Resources Expended £000	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
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

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2021****(Continued)****16. FUNDS (continued)****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 2022 £000	Total Funds 2021 £000
Funds balances at 31 st August 2022 are represented by:					
Tangible fixed assets	-	-	32,033	32,033	19,773
Current assets	1,543	1,699	600	3,842	4,855
Current liabilities	-	(1,563)	-	(1,563)	(1,462)
Pension scheme liability	-	(342)	-	(342)	(13,435)
	1,543	(206)	32,633	33,970	9,731

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

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

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022****(Continued)**

18. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2022 £000	2021 £000
Net income for the Year	9,145	(2,675)
Adjusted for:		
Depreciation	1,409	1,431
Impairment	-	1,548
Profit/loss on disposal of assets	17	49
Capital grants from DfE/EFA and other capital income	(12,867)	(1,372)
Defined benefit pension scheme cost less contributions payable	1,779	1,495
Defined benefit pension finance cost	222	208
(Increase)/Decrease in stocks	28	(32)
(Increase)/Decrease in debtors	2	(323)
Increase/(Decrease) in creditors	101	267
Rounding adjustments	-	(1)
Net cash provided by/(used in) operating activities	(164)	595
Cash flows from investing activities	2022 £000	2021 £000
Purchase of tangible fixed assets	(13,686)	(1,257)
Capital grants from DfE/EFA	12,867	1,372
Capital grants from others	-	-
Transfer from Local Authority	-	-
	(819)	115
Analysis of cash and cash equivalents	2022 £000	2021 £000
Cash in hand and at bank	3,021	4,004
Total cash and cash equivalents	3,021	4,004

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)**19. ANALYSIS OF ACADEMIES**

	2022 £000	2021 £000
Analysis of Academies by fund balance		
Fund balances at 31 st August 2022 were allocated as follows:		
Christ Church CE Academy	325	390
Overthorpe CE Academy	91	31
Sandal Magna Community Academy	294	352
St. Michael's CE Academy	425	493
St. Helen's CE Academy	28	41
Diamond Wood Community	369	407
Featherstone All Saints	114	145
St Botolph's CE Academy	277	615
CAPA College	(9)	197
St Giles'	(152)	(44)
Lepton CE Academy	(28)	39
Enhance Academy Trust	(55)	(52)
	<u>1,679</u>	<u>2,614</u>
Restricted fixed asset fund	32,633	20,552
Pension Reserve	(342)	(13,435)
	<u>33,970</u>	<u>9,731</u>

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 2022 £000	Total 2021 £000
Christ Church CE Academy	1,112	163	182	158	1,615	1,548
Overthorpe CE Academy	1,271	154	113	155	1,693	1,715
Sandal Magna Community Academy	910	159	170	167	1,406	1,330
St. Michael's CE Academy	1,520	277	384	342	2,523	2,410
St. Helen's CE Academy	990	132	142	147	1,411	1,356
Diamond Wood Community Academy	1,509	184	273	294	2,260	2,040
Featherstone All Saints CE Academy	881	97	159	118	1,255	1,201
St Botolph's CE Academy	1,192	125	159	187	1,663	1,589
CAPA College	805	378	397	257	1,837	1,499
St Giles' CE Academy	1,419	203	138	105	1,865	1,887
Lepton CE Academy	750	51	112	151	1,064	1,057
Enhance Academy Trust	14	325	36	2,975	3,350	2,094
	<u>12,373</u>	<u>2,248</u>	<u>2,265</u>	<u>5,056</u>	<u>21,942</u>	<u>19,726</u>

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)

20. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	2022	2021
	£000	£000
Land and Buildings	12,003	796
Mechanical Equipment	46	110
Furniture and equipment	1,320	57
IT equipment	317	294
Vehicles	-	-
	<hr/>	<hr/>
Cash outflow from capital expenditure	13,686	1,257
	<hr/>	<hr/>
21. CAPITAL COMMITMENTS	2022	2021
	£000	£000
Contracted for, but not provided in the financial statements	448	883
	<hr/>	<hr/>
A majority of the capital commitments is funded from the School Capital Allocation funding.		
22. OPERATING LEASE COMMITMENTS	2022	2021
	£000	£000
Other		
Due within one year	58	42
Due within two and five years inclusive	92	58
Due in over five years	-	-
	<hr/>	<hr/>
	150	100
	<hr/>	<hr/>

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 from the previous financial year. The remedial work has now been completed.

23A. CONTINGENT ASSETS

There are no known contingent assets.

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)**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 the Trust by a company which one Trustee has an interest. The Trustee is the Managing Partner of a company that provided legal services to the Trust amounting to £17,400 (2021: £6,920). All of the services provided were at arms' length and the other Trustees are aware of all related party transactions.

One Trustee that resigned in January 2021 is the managing director and majority shareholder of a company that provided sickness absence insurance and HR Services amounting to £126,938 in 2021.

An employee of the trust provided services to a company owned by a Trustee, a total amount of £nil (2021: £9,047) 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 £248,617 were payable to the schemes at 31 August 2022 (2021: £249,282).

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.

Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2022
(Continued)

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 £1,402,302 (2021: £1,464,908).

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 2022 was £1,074,000 (2021: £1,013,000), of which employers' contributions totalled £789,000 (2021: £745,000), and employees' contributions totalled £285,000 (2021: £268,000). The agreed contribution rates for each academy for future years is currently 16.40% 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 16.40%.

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.

Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022**
(Continued)**26. PENSION AND SIMILAR OBLIGATIONS (continued)****Local Government Pension Scheme (LGPS) (continued)**

Principal Actuarial Assumptions	At 31 August 2022	At 1 September 2021
Rate of increase in salaries	3.95%	3.85%
Rate of increase for pensions in payment/inflation	2.70%	2.60%
Discount rate for scheme liabilities	4.10%	1.70%
Inflation assumption (CPI)	2.70%	2.60%
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 2022	At 1 September 2021
Retiring today		
Males	21.8	21.9
Females	24.6	24.7
Retiring in 20 years		
Males	22.5	22.6
Females	25.7	25.8

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

	Fair value at 31 August 2022 £000	Fair Value 1 September 2021 £000
Equity instruments	15,077	14,462
Debt instruments	3,057	2,885
Property	736	685
	<hr/>	<hr/>
	18,870	18,032
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The actual return on employer asset was £97,000 (2021: £3,176,000).

Amounts recognised in the statement of financial activities	2022 £000	2021 £000
Current Service cost	2,568	2,224
Past service cost	-	-
Net interest on defined benefit liability	222	208
Curtailment cost	-	16
	<hr/>	<hr/>
Total operating charge	2,790	2,448
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Enhance Academy Trust**Notes to the Financial statements for the year ended 31 August 2022****(Continued)****26. PENSION AND SIMILAR OBLIGATIONS (continued)****Local Government Pension Scheme (LGPS) (continued)**

Amounts recognised in other comprehensive income	2022	2021
	£000	£000
Asset gains during the period	(216)	2,929
Actuarial gains/(losses) due to financial assumptions	15,071	(2,326)
Actuarial gains/(losses) due to liability experience	44	243
Actuarial gains/(losses) due to demographic assumptions	195	-
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	15,094	846
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Changes in the present value of defined benefit obligations were as follows:

	2022	2021
	£000	£000
At 1 September 2021	31,467	26,777
Current service cost	2,568	2,224
Interest cost	535	455
Employee contributions	285	268
Benefits paid out	(333)	(356)
Past service cost	-	-
Net increase in liability from acquisitions	-	-
Actuarial gains/(losses) due to liability experience	(44)	(243)
Actuarial (gains)/losses due to financial assumptions	(15,071)	2,326
Actuarial (gains)/losses due to demographic assumptions	(195)	-
Curtailment cost	-	16
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At 31 August 2022	19,212	31,467
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Changes in the fair value of the academy's share of scheme assets

	2022	2021
	£000	£000
At 1 September 2021	18,032	14,199
Interest income on assets	313	247
Re-measurement gain/(loss) on assets	(216)	2,929
Contributions by the Employer	789	745
Contributions by Members	285	268
Net benefits paid out	(333)	(356)
Net increase in assets from acquisition	-	-
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At 31 August 2022	18,870	18,032
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Enhance Academy Trust

Notes to the Financial statements for the year ended 31 August 2022

(Continued)

27. EVENTS AFTER THE END OF THE REPORTING PERIOD

(1) CAPA College – students and staff moved in to the completed building in September 2022

(2) The Trust has been engaging with three schools that have expressed an interest to join.

The schools comprise two maintained church schools in the Kirklees area and one stand alone academy in the Wakefield area.

The schools' governing bodies have voted to join the Trust, and if given approval by the Department for Education and following successful due diligence, will join the Trust during the 2023 calendar year.

(3) A trading company will be formed during the 2023 Academic year, the Trust will be the only shareholder.