

Registration number: 09677480

# Lever Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

# **Lever Academy Trust**

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# Lever Academy Trust

## Reference and Administrative Details

<b>Members:</b>	A Connell J Twentyman - resigned 14.12.22 K Halliwell
<b>Trustees:</b>	K Carter (Chair of Trust) – resigned July 2022 E Mellor – resigned October 2022 P Hodgkinson S McFarlane (Vice Chair) M Isherwood (staff trustee) J Cornally (trustee) – appointed 16.01.22 J Jones (parent trustee) P Philbin (parent trustee)
<b>Changes:</b>	P Hodgkinson (Chair of Trust) July 2022 M Isherwood (trustee) September 2022 E Mellor (Member) - appointed 14.12.22
<b>Company name</b>	Lever Academy Trust
<b>Registered Office</b>	Little Lever School Church street Little Lever Bolton BL3 1BT
<b>Company registration number:</b>	09677480 (England and Wales)
<b>Auditors:</b>	Xeinadin Audit Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD
<b>Bankers:</b>	Lloyds Bank Plc Hotel Street Bolton BL1 1DB

# **Lever Academy Trust**

## **Reference and Administrative Details (continued)**

### **Solicitors:**

**Browne Jacobson  
5th Floor Tower 12  
18-22 Bridge Street  
Spinningfields  
Manchester  
M3 3BZ**

**Cook Lawyers  
Manchester Business Park  
3000 Aviator Way  
Manchester  
M22 5TG**

# **Lever Academy Trust**

## **Trustees' Report**

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

The academy trust operates an academy for pupils aged 11 to 16 serving a catchment area in south-east Bolton. It has a pupil capacity of 1050 and had a roll of 1040 in the school census in October 2022.

### **Structure, Governance and Management**

#### **Constitution**

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

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

#### **Members' Liability**

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

#### **Trustees' Indemnities**

The academy has purchased indemnity insurance to protect governors and officers from claims arising in connection with academy business. The insurance provides Governors' liability of up to £10,000,000 on any one claim and unlimited Professional indemnity. The insurance cover is provided the DFE Risk Protection Arrangement for Schools.

### **Method of Recruitment and Appointment or Election of Trustees**

The Trustees are appointed by the following:

Parent Trustees	Parent Trustees shall be elected or, if the number of parents, or individuals exercising parental responsibility, standing for election is less than the number of vacancies, appointed (in accordance with the terms of reference determined by the Trustees from time to time). The elected or appointed Parent Trustees must be a parent, or an individual exercising parental responsibility, of a registered pupil at one or more of the Academies at the time when he or she is elected or appointed. [AoA 54]
Staff Trustees	Elected by staff of the Academy.

# Lever Academy Trust

## Trustees' Report (continued)

Co-opted Trustees	The Trustees may appoint Co-opted Trustees. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees including the Chief Executive Officer to the extent, he or she is a Trustee. [AoA 58]
Trustees	The first Trustees shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006. [AoA 48]. Future Trustees shall be appointed or elected, as the case may be, under these Articles. [AoA 49] The Members may appoint by ordinary resolution up to 4 Trustees. [AoA 50]

### Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their existing experience. All trustees are provided with access to academy documentation on appointment. Induction training is provided by the principal, the Chair of the Trust and the operations director. Ongoing training is provided through One Education governor training, Bolton Council governor services and other appropriate providers. Trustees have full access to the online services 'The Key for Governors' and the 'National Governors Association' which provide in depth information tailored for governors.

The clerk to trust will disseminate relevant legal and educational updates termly. The trustees undertake an annual skills audit. The audit results provide a clear picture of training requirements. Appropriate internal and external training is organised to strengthen the trustees' skills.

Trustees take roles as 'link governors' for key areas of operation of the trust such as Pupil Premium, Teaching & Learning, Safeguarding and Curriculum. Link governors liaise closely with a named member of SLT to develop an in-depth knowledge and understanding of the operations of the Academy within their area.

### Organisational Structure

The trust is governed by the Board of Trustees, whose members are directors of the charitable company for the purposes of the Companies Act 2006, trustees for the purposes of charity legislation and governors of the academy. The organisational structure of the trust consists of four levels: The Members, the Board of Trustees, the Principal and the SLT. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members overseeing the achievement of the objectives of the company, take part in annual and extraordinary general meetings, appointing some of the trustees, signing off the company's financial accounts and annual report, have the power to amend the Articles of the company and, ultimately, to remove the trustees.

The Board of Trustees is responsible for setting key policies, adopting a school development plan, approving and monitoring the budget, monitoring the academy's performance, making major policy decisions, appointing senior staff, and making major decisions about the direction of the trust. The Principal serves as the Accounting Officer. The Accounting Officer has the responsibility for financial and administrative matters and is personally responsible to the Board of Trustees for Regularity (dealing with all items of income and expenditure in accordance with legislation and any applicable delegated authority), Propriety (operating appropriate standards of conduct, behaviour and corporate governance including fairness, integrity, avoidance of conflict of interest, even-handedness and open competition) and Value for Money (efficient and effective use of available resources, avoidance of waste

# **Lever Academy Trust**

## **Trustees' Report (continued)**

and extravagance, prudent and economical administration of the financial affairs of the academy including the day to day organisation, staffing and management of the academy).

The Operations Director, serves as the Chief Financial Officer, is a member of the senior leadership team responsible for the maintenance of effective systems of internal financial control including the development of appropriate financial regulations to control, disburse and monitor academy funds, and liaison with budget holders to ensure compliance; the establishment, operation and security of a suitable computerised accounting system; the day to day management of financial processes including the buying and ordering of academy supplies and services to ensure value for money is achieved; the management of the academy's financial position at a strategic and operational level, including the development of an annual budget and forecasts for future years as part of the academy's three year plan; preparation of appropriate management information, including monthly accounts of budgeted and actual expenditure and briefings for trustees and the senior team; the submission of budget returns and other financial documents to the DFE in line with the Department's timetable; planning and monitoring of the academy's cash flow including policies for monitoring creditors and debtors; business planning to identify and maximise potential sources of income from local and national government initiatives and from the academy's own activities etc; management of the academy's capital assets including rolling replacement programmes as part of the budget setting process; ensuring that annual accounts are properly presented and adequately supported by the underlying books and records of the academy, including planning of statutory audits and progression of any audit recommendations; ensuring an effective payroll system is operated in compliance with relevant legislation and that all external returns are submitted on time; ensuring adequate insurance cover is maintained; overseeing and/or collaborating with other non-teaching areas including HR, admin, facilities management, ICT and catering; authorising orders up to a level set by the Trust, in conjunction with budget holders; signing cheques in conjunction with the Principal or other authorised signatory.

The Senior Leadership Team consists of the Principal, Associate Principal, Vice Principal, four Assistant Principals and one Operations Director. The team controls the Academy at an executive and operational level, implementing the policies laid down by the Trustees and report back to them. As per the Scheme of Delegation, the Principal and Operations Director are responsible for the authorisation of spending within agreed budgets. Set limits and separation of duties control the exposure to risk. Members of the team are also responsible for the recruitment process.

### **Arrangements for setting pay and remuneration of key management personnel**

The Trust has adopted a suitably modified Bolton Council policy for setting and reviewing pay. The policy adopts the national terms and conditions for teachers (STPCD) and predominantly follows the Local Authority policy for support staff pay and conditions. Therefore, the Trust pay scales are based upon National Pay Scales for teachers and Local Pay scales for support staff. The Trust has a process of annual performance review, appraisal, for all staff. Pay progression is linked to the outcome of the appraisals for teaching staff. Pay progression for support staff follows the Local Authority guidelines. The Principal's performance is assessed by two nominated trustees/members, the chair of the trust and supported by an external Independent School Improvement Professional. They evaluate the Principal's performance against the objectives set for that period. The Principal's pay is directly linked to the outcome of this evaluation. The recommendations are subject to approval by the Board of Trustees. A similar process is followed for key staff. The Principal evaluates the performance of the Associate Principal, Vice Principal and the Operations Director and recommends what, if any, pay award will be made. The academy has a clear appraisals structure identifying the appraisers and appraisees. This process is followed for all staff, SLT, teachers and support staff. The outcomes of these evaluations are reported back to the Board of Trustees through the Pay Committee.

### **Trade union facility time**

The trust buys into the Bolton Local Authority Trade Union service. The cost of the SLA is £6228. There are 0 staff recognised as local union representatives. The trust will make time available for staff to conduct their union activities if any staff wish to take up local union representation.

# **Lever Academy Trust**

## **Trustees' Report (continued)**

### **Related Parties and other Connected Charities and Organisations**

The Trust is connected to The Bolton Impact Trust Fund (Company Number 09971348). The Bolton Impact Trust is a MAT that operates 5 organisations providing alternative curriculum and special school facilities. The Trust uses the services of the Pupil Referral Unit (PRU), and pupils who have or are about to be excluded are sent to the PRU. The Head and Accounting officer of the Lever Academy Trust is also a director of The Bolton Impact Trust. See notes to the accounts for further details.

### **Engagement with Employees**

The Trust's most valuable asset is its staff. The success of the Trust is built on having outstanding leaders, teachers and support staff. A vital element of achieving this is through staff training and engagement. As an organisation committed to equality and fairness for all we are committed to obtaining the views and thoughts of all staff. The Principal has a weekly staff meeting with all teaching staff, all staff have clear objectives and receive feedback twice a year, and the Trust engages regularly with the trade unions. All staff are aware of the main priorities included in the School Development Plan. Staff have an opportunity through strong staff voice mechanisms, collaborative planning and line management procedures to share their views and opinions on policy and practice and collaboratively help shape policies and practice throughout the Trust. As pupil numbers and needs change over time regular discussion and consultation take place with staff to advise them of any potential changes to the future staffing structure.

As an organisation completely dependent upon its staff's performance the Trust recognises the need to keep staff informed and motivated.

We invest heavily in professional development and are keen to promote opportunities to enhance leadership across the Trust

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

The main stakeholders of the Trust are pupils and parents/guardians. Historically schools have always had an interest in ensuring that these stakeholders are embraced, and their requirements met.

The start of the process of pupil/parent engagement is to ensure they are aware of the Trust and what and how it does things. The Trust engages directly with feeder primary schools and hold open evenings for potential new pupils. Once a pupil starts the Trust engages with pupil/parents/guardians. This is continuous and often and includes:-

- pupil feedback regarding specific pieces of work and overall progress
- parent feedback to parents regarding progress and other matters

The school have a termly report that documents the progress of pupils and identifies any gaps in knowledge, this is shared with pupils and parents/guardians via reports and regular parents' evenings. The school will also contact parents about any event relevant material or event they believe parents should be aware of for example, attendance, accidents, behaviour etc.

The involvement of parents/guardians in their child's education is paramount.



# **Lever Academy Trust**

## **Trustees' Report (continued)**

The Trust also has some important suppliers whom the Trust is dependent upon for service. These services include:

- Supply Teachers and Support Staff
- Catering
- Cleaning
- Building Repairs and Maintenance
- ICT
- Professional Services such as Occupation Health, Payroll, HR, Accountancy etc

The Trust seeks to engage with such suppliers as partners rather than pure suppliers. When agreeing any new contract the Trust seeks to ensure value for money so price alone is not the driver. It wants efficient, effective and economic services from suppliers. It wants to build lasting partnerships that underpin the delivery of outstanding services. The Trust takes its time when re-negotiating such contracts to ensure it get the best possible service for the best price. It makes suppliers aware of the need for them to become suppliers.

The Trust has very few customers to whom it sells, this tend to be one off and miscellaneous.

The Trust does rent out its recreational and sporting facilities and this provides a valuable income stream.

### **Objectives and Activities**

#### **Aims**

The Trust will always put children first and improve their life chances by advancing and enhancing the standard of education in the local area, giving all children but particularly those children from disadvantaged backgrounds the opportunity to stand as equals among any social circle.

The Trust aims to provide a world class curriculum which is ambitious for all and helps all children, but particularly disadvantaged children and children with SEND, to flourish and achieve outcomes that far exceed the national average.

The Trust aims to work collaboratively and innovatively with local, regional and national schools, academies and other Trusts for the benefit of children. The Trust is driven by a moral purpose to improve the life chances of all children and sees highly effective collaborative structures as essential to achieving this.

The Trust aims to grow ethically and with efficacy by developing highly effective systems and structures and high quality leaders to support other schools and academies to transform the lives of children.

The Trust has adopted the Articles of Association the charitable company approved by the Secretary of State for Education. The operation of the Trust is in accordance with the ESFA Master and Supplemental Funding Agreements and the Trust's Scheme of Delegation.

### **Objectives, Strategies and Activities**

The Trust purpose and values are a culmination of the thoughts and beliefs of the whole community; our trustees, staff, students and parents / carers. Our core purpose is:

**"To help every person achieve things they never thought they could"**

# Lever Academy Trust

## Trustees' Report (continued)

As an academy we help our students to realise what they can really achieve. We provide aspiration through stimulating lessons that challenge students to think and enquire.

Our core values are:

- Be kind
- Work hard
- Take responsibility

Our values permeate throughout the Trust.

Everything we do revolves around our core purpose and values.

The main objectives of the Academy during the year ended 31 August 2022 are summarised below:

- Improve the quality of education by effectively sequencing the essential knowledge and improving the use of assessment and feedback
- Further develop leaders and teachers' subject and pedagogical knowledge
- Raise the aspirations and attendance of disadvantaged students

### Public Benefit

The trust has complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. In addition to the education of students on roll, the trust operates a sports centre for the benefit of the students and local community.

As an organisation set up for the public benefit the Trust is aware of its public life obligations and strives to achieve the Nolan Principles of public service:

#### 1 Selflessness

Holders of public office should act solely in terms of the public interest.

#### 2 Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

#### 3 Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

#### 4 Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

# **Lever Academy Trust**

## **Trustees' Report (continued)**

### **5 Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

### **6 Honesty**

Holders of public office should be truthful.

### **7 Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

The Trust is also aware of its charity obligations to provide public benefit to the greatest number of people possible and to ensure that the Trustees act in a way that avoids any potential conflict of interest. The Trustees are aware that they are there to serve the general public and cannot and should not acquire any personal gain. The Trustees recognise

- The purpose of the organisation
- The need to serve the public
- The need to report on the organisation's work/performance to the public
- The need to be open and transparent
- The need to minimise risk and work in the best interest of the public
- The need for decisions to be in the interest of the Trust the public and not allow personal gain/objectives to interfere with this objective.
- The need to allow all members of society to access the service we provide
- The need to observe the laws and regulations that govern the organisation and to follow the spirit of these rules and regulations

## **Strategic Report**

### **Achievements and Performance**

#### **Key Performance Indicators**

The validated outcomes shows the school's continued improving trajectory.

Progress 8: +0.11

Attainment 8: 4.7

Percentage of students achieving a strong pass (9 – 5) in English and maths: 53%

Percentage of students achieving a standard pass (9 – 4) in English and maths: 71%

Percentage of students entering for the EBACC: 10%

Percentage of students achieving a strong pass for the EBACC: 6%

Percentage of students achieving a standard pass for the EBACC: 8%

# Lever Academy Trust

## Trustees' Report (continued)

### Attendance:

For the year 2021/22: 89.9%

### Admissions:

The Academy has been oversubscribed for the last 5 years

The percentage of students attaining English and maths at Grade 5+ in 2022 increased when compared with the previous year and is significantly above the national average. The overall Progress 8 score of the academy rapidly improved in 2022 and is now above the national average.

The academy has been oversubscribed for the last 5 years. The quality of education and the implementation of a knowledge rich curriculum continues to improve with a relentless approach to ensuring every child has a great teacher and an ambitious curriculum which is well sequenced, knowledge rich and improves students' life chances. Every performance measure and every group of students improved in 2019 and this rate of improvement has continued in 2022.

Disadvantaged students made considerable progress in 2022 and again the trajectory of improvement for this group of students has continued. Disadvantaged students progress has moved from -0.98 in 2016 to -0.27 in 2022.

# Lever Academy Trust

## Trustees' Report (continued)

### Going Concern

Little Lever Income & Expenditure	Sum of 2021-22 Budget	Sum of 2022-23 Budget	Sum of 2023-24 Budget
<b>A-Income</b>			
1-Grant/LA Income	-£6,682,144	-£6,950,006	-£6,993,704
2-Other Income	-£328,906	-£54,200	-£64,200
<b>A-Income Total</b>	<b>-£7,011,050</b>	<b>-£7,004,206</b>	<b>-£7,057,904</b>
<b>B-Expenditure</b>			
1-Teachers Salaries	£3,011,170	£3,126,202	£3,080,713
2-Teachers SLT Salaries	£437,764	£542,365	£557,357
3-Education Support Salaries	£639,083	£772,243	£789,962
4-Other Salaries	£643,589	£789,157	£803,346
92-Supply	£150,998	£110,000	£110,000
5-Other Staff Costs	£56,645	£119,000	£119,000
91-Exams	£66,765	£82,700	£82,700
6-SLA/Annual Contracts	£389,105	£378,518	£378,707
7-Building & Occupancy	£392,306	£282,606	£282,606
8-Educational Support Costs	£408,858	£350,763	£350,763
9-Departmental Costs	£153,496	£162,715	£154,715
92-Technology Costs	£176,278	£230,000	£230,000
93-Catering	£4,513	£9,200	£9,200
99-Sports Centre	£41,338	£43,092	£43,789
<b>B-Expenditure Total</b>	<b>£6,571,909</b>	<b>£6,998,562</b>	<b>£6,992,860</b>
<b>In-Year Surplus/Deficit</b>	<b>-£439,141</b>	<b>-£5,644</b>	<b>-£65,044</b>
<b>Brought Forward Surplus</b>	<b>-£445,864</b>	<b>-£885,005</b>	<b>-£890,649</b>
<b>Carried Forward Surplus</b>	<b>-£885,005</b>	<b>-£890,649</b>	<b>-£955,694</b>

Based upon detailed analysis of the forecasted pupil numbers and expected costs the Trust believes it is a going concern. The Trustees of the Trust believe the organisation is a going concern both now and into the future. There are no current issues that would undermine the financial feasibility of the Trust.

# Lever Academy Trust

## Trustees' Report (continued)

### Current Year Overview

#### Reserves Analysis 2022-23

	31.8.21	Income	Expenditure	Transfer	In-Year	31.8.22
Revenue Restricted	£190,680	£6,682,144	-£6,378,518	-£147,611	£156,015	£346,695
Revenue Unrestricted	£255,184	£328,907	-£45,781		£283,126	£538,310
<b>Total Revenue Surplus</b>	<b>£445,864</b>	<b>£7,011,051</b>	<b>-£6,424,299</b>	<b>-£147,611</b>	<b>£439,141</b>	<b>£885,005</b>
Pension	-£3,324,000	£0	-£411,000	£3,580,000	£3,169,000	-£155,000
Fixed Assets	£7,801,795	£747,639	-£580,484	£147,611	£314,766	£8,116,561
<b>Grand Total</b>	<b>£4,923,659</b>	<b>£7,758,690</b>	<b>-£7,415,783</b>	<b>£3,580,000</b>	<b>£3,922,907</b>	<b>£8,846,566</b>

<b>Balance at Bank 31.8.22</b>	<b>£1,401,682</b>
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Trust generated an in- year revenue surplus of £439,141 and a cumulative revenue surplus of £885,005. The cumulative surplus went from £445,864 to £885,005, this was after the Trust funded £147,611 of capital expenditure from revenue.

At the end of the financial year the cash in bank was £1,401,682. The of current liabilities compared to current assets (excluding the bank) stood at £547k. The Pension Liability fell significantly from a liability of £3,324,000 in 2020-21 to £155,000 at 31<sup>st</sup> August 2022. The Pension Liability reflects the future pension liabilities of the Trust regarding pension payments.

#### Future Forecast

The Trust pupil intake remains strong with places slightly over subscribed. The pupil projections for the future look strong. This will ensure that the Trust has a stable income stream moving forward, thus allowing it to balance its books and remain solvent throughout the next three years. The levels of cash will be maintained at over £1,000,000 throughout this period and there is no anticipated cashflow issues. The Trust is still keen to reinvest some of its surplus in infrastructure and ICT projects. This will result in a reduction of revenue surpluses. The Trustees will not allow the level of projected surplus to drop below £400,000. The Trust is extremely prudent, and its financial plans reflect this. The Trust currently has £153,000 of Salix Loan.

The Trust use Integrated Curriculum Financial Planning to develop its budgets together with benchmarking. All plans are scrutinised for value for money and sustainability. The above show that the Trust anticipates static pupil numbers and an increasing revenue surplus as the year on-year in-year surpluses continues. Although the in-year surplus is expected to decrease the cumulative surplus is expected to grow. The Trust is aware that the next few years will be challenging and has allowed for a salary cost of living increase based upon the teachers pay award for 2022-23 and 2023-24, it has assumed a pay increase of 2% for all other annual increases. The Trust has also increased its energy projections to reflect the significant rises currently being experienced.

The trust has accumulated a surplus of £8,846,566 as of 31st August 2022. Operationally only £885,005 is available to spend on pupils and staff. The Academy will use its accumulated surplus to drive up standards and attendance. The Trustees and Senior Management want the facilities available to pupils to be outstanding. The trust expects pupil intake numbers to remain stable for the foreseeable future. The Trust constantly checks the validity of future pupil numbers. However the predicted pupil numbers for the

# **Lever Academy Trust**

## **Trustees' Report (continued)**

next 3-5 years are considered reasonable and safe. As part of the trust's on-going activities it will review its curriculum and staffing structures in light of pupil numbers to ensure the best possible outcome for pupils. The trust will ensure that it provides for the needs of all pupils and staff to ensure all pupils reach their full potential. The current level of surplus together with the projected income will enable the trust to undertake its prime objective of maximising pupil outcomes, however expenditure will be continuously reviewed to ensure financial stability. The Trust believes that financial stability enables stable and consistent planning in the medium to long term.

The trust has a cumulative operational surplus of £885,005 (Unrestricted and Restricted Revenue Reserve), a fixed assets reserve of £8,116,561 and a pension reserve of (£155,000). The projected students' intake for the foreseeable future remains static. The Trust is close to full capacity and its pupil admissions number. The trust continuously reviews its students' intake, curriculum structure, SEN needs and staffing structure to ensure the best possible outcomes for all students. The Trust's financial plans for the next 2-3 year's show the Trust remaining in surplus.

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **Promoting the Success of the Trust**

The members and Trustees have considered how the organisation can best serve the interests of pupils, parents/guardians, staff, business partners, suppliers and the community we serve. The Trustees believe the best way to achieve this is to provide an outstanding education for pupils. The whole drive within the Trust is to continuously improve teaching and learning. Constant review is undertaken of teacher's performance and the impact this is having on pupil attainment and progress. The Trust has an overarching objective to be amongst the top 10% performing schools/Trust in England. The Trust was rated Requires Improvement in 2018, and every effort is being made to get too Outstanding. The Trust believes that this journey should be as short as possible to release the full potential of pupils and staff. Plans are in place to achieve this and the Trustees and Senior Leadership constantly review performance to ensure progress is being made towards achieving this.

A significant part of delivering this success is having good relationships and partnerships with pupils, staff, parents/guardians and suppliers. It also requires strong leadership and management. In order to achieve these objectives, it is imperative the Trust has tight financial control of all of its assets and utilises them in the best possible way. The budgeting process is integrated with curriculum planning. The budget takes full account of the Trust school improvement plans, pupil numbers, curriculum delivery, class sizes, SEND, behaviour and available income.

The success of the community relies on the success of the Trust. The Trust is educating the community of today and tomorrow. The community needs well educated, rounded and emotionally intelligent residents to create a cohesive and fair society. In order for communities to prosper they need a population of people who are educated and able to generate wealth; people who are committed to giving something back and seek for a just and equitable society. The Trust believes it has an important role to play in delivering these attributes.

# Lever Academy Trust

## Trustees' Report (continued)

### Financial Review

#### Year End Reserves

	31.8.21	Income	Expenditure	Transfer	In-Year	31.8.22
Revenue Restricted	£190,680.00	£6,694,353.00	-£6,294,597.00	-£147,611.00	£252,145.00	£442,825.00
Revenue Unrestricted	£255,184.00	£232,777.00	-£45,781.00		£186,996.00	£442,180.00
Total	£445,864.00	£6,927,130.00	-£6,340,378.00	-£147,611.00	£439,141.00	£885,005.00
Pension	-£3,324,000.00	£0.00	-£411,000.00	£3,580,000.00	£3,169,000.00	-£155,000.00
Fixed Assets	£7,801,795.00	£747,639.00	-£580,484.00	£147,611.00	£314,766.00	£8,116,561.00
Reserves Grant Total	£4,923,659.00	£7,674,769.00	-£7,331,862.00	£3,580,000.00	£3,922,907.00	£8,846,566.00
Bank Balance at 31.8.22						£1,401,682.00

The Trust's total incoming resources during the year was £7,674,769. This is split as follows:

Revenue Income (Restricted and Unrestricted)	£6,927,130
Capital Income	£747,639

The majority of the trust's operating income derives from central government funding via the Education Funding Agency, in the form of current grants. Total funding received for the trust's educational operations in the year was £6,682,144 and further details are provided in the notes to the accounts. The main income streams are:

General Annual Grant	£6,025,156
Pupil Premium	£295,546
Rates	£26,682
Pupil Recovery Grant	£43,663
Supplementary Grant	£79,313
Covid Grants	£16,991
Early Careers Grant	£14,964
LA HLNB	£121,057
LA Other	£58,772
	£6,682,144

Total outgoing resources for the year were £7,331,862 and the majority of the resources expended relate to the direct provision of educational operations. This is split as follows:

Revenue Expenditure	£ 6,487,989
Pension	£ 411,000
Capital Expenditure	£ 432,873



# **Lever Academy Trust**

## **Trustees' Report (continued)**

The trust does not have an obligation to settle the full liability of the Local Government Pension Fund immediately and there are no indications that it will crystallise in the foreseeable future.

At 31 August 2022 all assets shown in the accounts were used in line with the aims and objectives of the trust as indicated in the Articles of Association.

The Trust generated an in-year revenue surplus of £439,141 for year ending 31<sup>st</sup> August 2022. The cumulative unrestricted revenue surplus as at 31<sup>st</sup> August stood at £885,005. The Trust had £184,034 of unspent Devolved Formula Capital and £90,000 3G Pitch Provision as at 31<sup>st</sup> August 2022, both of these are include in the Capital Reserves..

### **Reserves Policy**

The Trust will build and maintain a revenue reserve fund to provide flexibility and certainty in forward planning.

The Trust is striving to generate an in year surplus year on year. The Trust needs to hold reserves for a number of reasons, examples of which are listed below:

- A contingency fund to deal with minor adjustments to operational expenditure from some budget headings.
- A planned accumulation of funds to pay for some major construction work or project.
- Expenditure held over to the following year to withstand variations in the level of funding to the Trust to balance out variations in funding levels.
- Potential redundancy payments to staff; and
- Anticipated increases in cost of living and pension contributions and the growing gap between income and expenditure.

All revenue reserves are controlled by the Trust Board and cannot be spent without the approval of the Board.

In accordance with EFA and charity accounting standards, the Trust will maintain financial records which identify revenue reserves by school.

The Trust will build and maintain a capital reserve fund in line with the reserves approved by the Board from time to time.

If the Trust wishes to utilise accumulated reserves for a particular purpose, the Operations Director must submit a 'Request to Use Reserves Form' to the Trustee. The Trustees review the level of reserves on a termly basis. At 31 August 2022, the trust had surplus balance on its Unrestricted and Restricted revenue reserves.

### **Investment Policy**

All investments are agreed by the Board of Trustees, which has regard to the Charity Commission guidance in relation to charity investment policy. The trust understands the need to ensure all funds invested are safe and risk free. The trustees have adopted a low-risk strategy to its cash holdings. Currently the Trust does not hold any funds in an interest-bearing account given the low levels of returns.

### **Principal Risks and Uncertainties**

The trustees have assessed the major risks to which the trust is exposed, in particular those relating to teaching, health and safety, child protection, finances and facilities management. These risks are

reviewed on an on-going basis by the Senior Leadership Team. These risks are formally reviewed by the

# Lever Academy Trust

## Trustees' Report (continued)

Responsible Officer and trustees termly. A number of operational and financial systems and procedures have been implemented in order to minimise specific risks. A risk register has been developed which identifies the potential impact of said risk and actions undertaken to mitigate the risk.

The internal financial systems are based on the Academies Trust Handbook and are documented in the Academy manual of financial procedures. The systems are based on a framework of segregation of duties and Scheme of Delegation which include authorisation and approval. Financial management information is provided to the Principal and Chair of Trustees once a month and the Board of Trustees on a termly basis.

The responsible officer role has been fulfilled during the year by Cofie Limited who undertook two operational systems and controls audit and reviews the risk register. There was also an audit of the Bolton Impact Related Party contract. A comprehensive and intensive audit check was carried out in October/November 2021 by Hallidays LLP. A report was presented to the Board of Trustees on the results. There is an on-going issue regarding the Bolton Impact related party contract, and this is being addressed by the Trust re-tendering this work following the requirements of the ESF Trust Handbook.

The main risks identified by the Board of Trustees for the year ending 31st August 2022 are:

1. The impact of COVID-19 in terms of pupil progress, attainment and pupil welfare. To mitigate against this the Trust has developed a comprehensive set of plans to keep pupils safe and deliver as far as possible a full and comprehensive curriculum. This is under constant review and reflect the changing nature of the risk.
2. The impact of COVID-19 on staff and the ability to provide a full and enriched curriculum. Likewise, it has had an impact on staff welfare. To mitigate against this the Trust has developed a comprehensive set of plans to keep staff safe and secure as far as possible and to ensure their welfare remains paramount. This is under constant review and reflect the changing nature of the risk.
3. Finances: The Trust continues to face market pressures of increasing staffing costs with relatively static income per pupil. As a consequence, the Trust is finding it necessary to scrutinise its cost base continually. The challenge is to provide an excellent education for all pupils whilst remaining financially solvent. The trust has developed conservative plans taking account of known information. A thorough review of expenditure and staffing is continuous as the Trust seeks to ensure strong financial control of its operations
4. Student numbers: Following a number of years with falling pupil population in the geographic area, the academy is now on its third year with full intake across all key stages.
5. The school is still judged as Requires Improvement. There is a whole school focus on continually improving the quality of education and students.
6. Land – The trust is mindful of the extensive investigation report produced by the LK Group and Sykes LLP. The trust has followed all recommendations and has procured an insurance policy. The trust is committed to review the risk annually.

### Fundraising

The trust does not receive any donations from commercial / professional sources. There are no organised fundraising activities for internal use. The trust has a facility in ParentPay that is open to donations from parents/carers. The purpose of the donations is clearly identified at the donation page. All donations are accounted separately in School Fund. School Fund is managed in accordance with the purpose identified. Additionally, the school holds 'non uniform days' for pupils and staff with a voluntary donation. All donated funds from these events are passed in full to charities identified at the outset.

# **Lever Academy Trust**

## **Trustees' Report (continued)**

### **Plans for Future Periods**

Lever Academy Trust will continue to work to achieve our core purpose. Delivering the core purpose of 'helping every student achieve things they never thought they could' and improving the life chances of the students is central to the strategic direction of the academy. The academy sees learning as the most important thing it does and will focus relentlessly on the curriculum and classroom practice. As a result, we will ensure our outcomes continue to rise and our Progress 8 score is well above the national average. The academy will also focus sharply on narrowing the gap in achievement between identified cohorts with particular focus on disadvantaged students and boys. Once the academy has a strong and sustained foundation with a proven track record of excellence, we will look to grow the Lever Academy Trust in the next few years. Our ultimate aim is to support more young people to achieve things they never thought they could across a range of educational settings.

COVID-19 has presented the Trust with many challenges. However, the Trust remains resilient in its determination to continue to ensure every student achieves things they never thought they could. In the event of either isolated instances or full school closure the Trust has plans to keep the education of pupils going and to provide the greatest possible access to a full curriculum delivery. The Trust is using the Covid catch up funding, the pupil premium and the recovery funding to support the development of our recovery curriculum.

# **Lever Academy Trust**

## **Trustees' Report (continued)**

### **Funds Held as Custodian Trustee on Behalf of Others**

The Academy does not hold funds as Custodian on behalf of others.

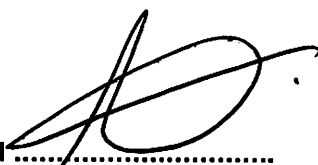
### **Auditor**

Insofar as the trustees are aware:

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

Hallidays Group Limited have expressed their willingness to remain in office as auditors to the trust.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 22<sup>nd</sup> December 2022 and signed on the board's behalf by:

Signed  .....

**Paul Hodgkinson**

Chair of Trust

**Date 22nd December 2022**

# Lever Academy Trust

## Governance Statement

### Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance. The skills and capability of the Trustees is accessed annual to identify and gaps. If gaps are identified they are addressed with training or recruitment of the necessary skills. The Trustees are aware of their obligation regarding the ESFA Financial Handbook, Charities Commission, Companies House, and the DfE's Governance Handbook and competency frameworks. The Trustees believe that compliance is not just about operating within the rules but more about behaving in a way that recognises the spirit of good governance and public life.

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

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
K Carter (chair of trust)	5	5
M Isherwood (staff trustee)	3	5
D Mckeon (principal / accounting officer)	5	5
E Mellor (trustee)	4	5
J Adamopoulos (CFO)	5	5
J Twentyman (trustee / member)	0	3
P Hodgkinson (trustee)	4	5
S McFarlane (trustee)	4	5
J Thompson (trustee)	5	5
P Philbin (trustee)	5	5
J Jones (trustee)	5	5

### Review of Value for Money

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

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

# **Lever Academy Trust**

## **Governance Statement (continued)**

At least twice a year review the organisation's structure. This is done considering:

- Pupil numbers
  - Curriculum requirements/Curriculum map/
  - SEN requirements
  - Attendance
  - Behaviour
  - Pupil progress/attainment
  - Pupil Premium and closing the gap
  - Number of teachers
  - SLT/TLR's
  - Educational support staff
  - Other support staff
  - Impact of all resources
- 
- All decisions consider the best value principles of economy, efficiency, and effectiveness.
  - The trust uses a debit card to benefit from online purchasing, while taking in to account the safety and reputation of the retailer such as Amazon.
  - The trust uses collaborative purchasing with either local schools or nationally tendered contracts.
  - All consumable orders are finalised by finance staff who seek best value by directing orders to the most appropriate supplier. Service level agreements are reviewed and compared with current market trends.
  - The principal and the board of trustees regularly review forecasts and staffing requirements. The senior management team receive regular budgetary updates allowing for fully informed management decisions.
  - The Trust has developed its Risk Register to not only mitigate cash to identify areas of risk that have the potential to drive up cost. The Risk Register provides a checking point to ensure the Trust focuses on what is important and has the potential to undermine what the Trust is trying to achieve.

### **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 priorities the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lever Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

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

# **Lever Academy Trust**

## **Governance Statement (continued)**

### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks
- Rigorous use of Curriculum Led Financial Planning to inform strategy

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor. Cofie Limited, will provide independent experienced qualified accountants, to perform additional checks in the role of Responsible Officer and Scrutineer. For the new financial year a detailed audit plan has been agreed that will ensure termly review of finance, governance and any areas of risk.

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

- Bank and Cash
- Credit Card
- Purchases and Expenses
- Capital Expenditure
- Related Party Transactions
- Income
- Payroll
- Head Teachers Review
- Management Accounts
- System Control

The audit and scrutiny will be risk led, if areas of risk are identified the Trustees will access if external expert input would help better manage risk moving forward.

On an annual basis, the reviewer reports to the board of trustees, through the **Risk and Audit committee** on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

# Lever Academy Trust

## Governance Statement (continued)

The reviewer found that the controls upon which the Academy relies to manage its financial affairs (covering the areas above) are suitably designed, consistently applied and effective.

### Review of Effectiveness

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

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

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

Approved by order of the members of the board of trustees on 22<sup>nd</sup> December 2022 and signed on its behalf by:



.....  
Paul Hodgkinson  
Chair of Trust



.....  
Dominic Mckeen  
Principal and Accounting Officer

Date 22nd December 2022

Date 22nd December 2022



## **Lever Academy Trust**

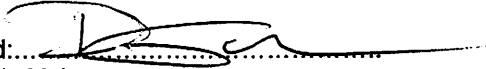
### **Statement of Regularity, Propriety and Compliance**

As Accounting Officer of Lever Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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

Approved by order of the members of the Board of Trustees on 22<sup>nd</sup> December 2022 and signed on its behalf by:

Signed:.....  
Dominic Mckean  
Accounting Officer

## **Lever Academy Trust**

### **Statement of Trustees' Responsibilities**

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 22<sup>nd</sup> December 2022 and signed on its behalf by:



.....  
P Hodgkinson (Chair of Trust)  
Trustee

## **Lever Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Lever Academy Trust**

#### **Opinion**

We have audited the financial statements of Lever Academy Trust (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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'.

In our opinion the financial statements:

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

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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**

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

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

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

#### **Other information (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)**

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 report 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.

## **Lever Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Lever Academy Trust (continued)**

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 inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a 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.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 24], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

## **Lever Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Lever Academy Trust (continued)**

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the trust through discussions with directors and other management, and from our commercial knowledge and experience of the academies sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the trust, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, and the trust's legal advisors

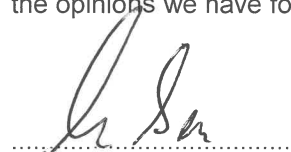
A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Lever Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Lever Academy Trust (continued)**

#### **Use of our report**

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



.....  
Anna Bennett (Senior Statutory Auditor)  
For and on behalf of Xeinadin Audit Limited, Statutory Auditor

8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Date: 22/12/22.....

## **Lever Academy Trust**

### **Independent Reporting Accountant's Assurance Report on Regularity to Lever Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 23 August 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 Lever Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lever Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Lever 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 Lever Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Lever Academy Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Lever Academy Trust's funding agreement with the Secretary of State for Education dated 30 November 2015 and the Academies Financial Handbook extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

The work undertaken to draw our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.

## Lever Academy Trust

### Independent Reporting Accountant's Assurance Report on Regularity to Lever Academy Trust and the Education and Skills Funding Agency (continued)

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the Trust Board and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of the other income and rested whether activities are permitted within the trust's charitable objectives.

#### 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 year from 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.



Reporting Accountant

Xeinadin Audit Limited

8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Date: 22/12/22



## Lever Academy Trust

### Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	12,209	-	747,639	759,848
Other trading activities	4	232,483	-	-	-	232,483
Investments	5	294	-	-	-	294
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	6,682,144	-	-	6,682,144
<b>Total</b>		<b>232,777</b>	<b>6,694,353</b>	<b>-</b>	<b>747,639</b>	<b>7,674,769</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust educational operations	7	45,781	6,294,597	411,000	580,484	7,331,862
Net income/(expenditure)		186,996	399,756	(411,000)	167,155	342,907
Transfers between funds		-	(147,611)	-	147,611	-
<b>Other recognised gains and losses</b>						
Actuarial (losses) / gains on defined benefit pension schemes	25	-	-	3,580,000	-	3,580,000
Net movement in funds		186,996	252,145	3,169,000	314,766	3,922,907
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2021		255,184	190,680	(3,324,000)	7,801,795	4,923,659
Total funds/(deficit) carried forward at 31 August 2022		442,180	442,825	(155,000)	8,116,561	8,846,566

## Lever Academy Trust

### Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	2	323	27,716	-	586,696	614,735
Other trading activities	4	45,017	-	-	-	45,017
Investments	5	112	-	-	-	112
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	6,568,130	-	-	6,568,130
<b>Total</b>		<b>45,452</b>	<b>6,595,846</b>	<b>-</b>	<b>586,696</b>	<b>7,227,994</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust educational operations	7	36,571	6,251,166	251,000	546,621	7,085,358
Net income/(expenditure)		8,881	344,680	(251,000)	40,075	142,636
Transfers between funds		-	(154,000)	-	154,000	-
<b>Other recognised gains and losses</b>						
Actuarial (losses) / gains on defined benefit pension schemes	25	-	-	(729,000)	-	(729,000)
Net movement in funds/(deficit)		8,881	190,680	(980,000)	194,075	(586,364)
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2020		246,303	-	(2,344,000)	7,607,720	5,510,023
Total funds/(deficit) carried forward at 31 August 2021		255,184	190,680	(3,324,000)	7,801,795	4,923,659

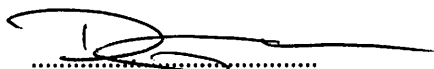
**Lever Academy Trust**  
**(Registration number: 09677480)**  
**Balance Sheet as at 31 August 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	7,202,030	7,086,050
<b>Current assets</b>			
Debtors	12	1,087,211	762,793
Cash at bank and in hand		<u>1,401,689</u>	<u>1,186,730</u>
		2,488,900	1,949,523
Creditors: Amounts falling due within one year	13	<u>(546,522)</u>	<u>(669,748)</u>
Net current assets		<u>1,942,378</u>	<u>1,279,775</u>
Total assets less current liabilities		9,144,408	8,365,825
Creditors: Amounts falling due after more than one year	14	<u>(142,842)</u>	<u>(118,166)</u>
Net assets excluding pension liability		9,001,566	8,247,659
Defined benefit pension scheme liability	25	<u>(155,000)</u>	<u>(3,324,000)</u>
Net assets including pension liability		<u>8,846,566</u>	<u>4,923,659</u>
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
Restricted general fund	15	442,825	190,680
Restricted fixed asset fund	15	8,116,561	7,801,795
Restricted pension fund	15	<u>(155,000)</u>	<u>(3,324,000)</u>
		8,404,386	4,668,475
<b>Unrestricted funds</b>			
Unrestricted general fund	15	<u>442,180</u>	<u>255,184</u>
Total funds		<u>8,846,566</u>	<u>4,923,659</u>

The financial statements on pages 31 to 58 were approved by the Trustees, and authorised for issue on 22<sup>nd</sup> December 2022 and signed on their behalf by:



.....  
P Hodgkinson (Chair of Trust)  
Trustee



.....  
D Mckean  
Trustee

## **Lever Academy Trust**

### **Statement of Cash Flows for the year ended 31 August 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	139,797	516,056
Cash flows from investing activities	21	39,909	13,337
Cash flows from financing activities	20	<u>35,253</u>	<u>55,952</u>
Change in cash and cash equivalents in the year		214,959	585,345
Cash and cash equivalents at 1 September		<u>1,186,730</u>	<u>601,385</u>
Cash and cash equivalents at 31 August	22	<u><u>1,401,689</u></u>	<u><u>1,186,730</u></u>

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **1 Accounting policies**

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

##### **Basis of preparation**

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

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

##### **Impact from the Covid-19 pandemic**

##### **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.

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

##### ***Grants***

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### ***Donations***

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

##### ***Other income***

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

##### ***Donated goods, facilities and services***

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

##### ***Donated fixed assets***

Where the donated good 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 to the donor should 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.

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **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.

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

##### ***Charitable activities***

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

##### **Tangible fixed assets**

Assets costing £1,000 or more in value or those that are deemed to be desirable are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

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.

##### **Asset class**

Leasehold buildings

##### **Depreciation method and rate**

Straight line 2-4%

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

Leasehold land	Straight line 125 years
Fixtures, fittings and equipment	Straight line 20%
ICT hardware	Straight line 25%

#### **Liabilities**

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

#### **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 FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note [X]. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 [X]. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

#### **Taxation**

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

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



## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

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

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

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

##### **Fund accounting**

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

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

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

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

##### **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.

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **1 Accounting policies (continued)**

##### ***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 pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 2 Donations and capital grants

	Restricted funds £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Educational trips and visits	12,209	-	12,209	27,716
Capital grants	-	736,079	736,079	560,541
Other donations	-	-	-	323
Donated fixed assets	-	11,560	11,560	26,155
	<u>12,209</u>	<u>747,639</u>	<u>759,848</u>	<u>614,735</u>

#### 3 Funding for the Academy Trust's educational operations

	Restricted funds £	2021/22 Total £	2020/21 Total £
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	6,025,156	6,025,156	5,593,576
Other DfE/EFA grants	181,613	181,613	110,834
Teachers Pension Grant	-	-	203,515
Teachers Pay Grant	-	-	72,022
Pupil Premium	295,546	295,546	212,262
	<u>6,502,315</u>	<u>6,502,315</u>	<u>6,192,209</u>
<b>Other government grants</b>			
Local authority grants	58,772	58,772	29,060
Special educational projects	121,057	121,057	162,225
	<u>179,829</u>	<u>179,829</u>	<u>191,285</u>
<b>Covid-19 additional funding (DfE/ESFA)</b>			
Catch-up premium	-	-	152,686
<b>Covid-19 additional funding (non-DfE/ESFA)</b>			
Coronavirus Job Retention Scheme Grant	-	-	1,480
Other COVID-19 funding	-	-	30,470
	<u>-</u>	<u>-</u>	<u>31,950</u>
<b>Total grants</b>	<u>6,682,144</u>	<u>6,682,144</u>	<u>6,568,130</u>

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 3 Funding for the Academy Trust's educational operations (continued)

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

#### 4 Other trading activities

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	82,707	82,707	29,343
Other sales	149,776	149,776	15,674
	<u>232,483</u>	<u>232,483</u>	<u>45,017</u>

#### 5 Investment income

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Other Income: Investment income	294	294	112

#### 6 Expenditure

	Non Pay Expenditure			2021/22 Total £	2020/21 Total £
	Staff costs £	Premises £	Other costs £		
<b>Academy's educational operations</b>					
Direct costs	4,287,145	327,037	600,376	5,214,558	5,259,700
Allocated support costs	<u>978,602</u>	<u>662,055</u>	<u>476,647</u>	<u>2,117,304</u>	<u>1,825,658</u>
	<u>5,265,747</u>	<u>989,092</u>	<u>1,077,023</u>	<u>7,331,862</u>	<u>7,085,358</u>

#### Net income/(expenditure) for the year includes:

	2021/22 £	2020/21 £
Operating leases - other leases	9,362	6,798
Fees payable to auditor - audit	10,750	9,735
- other audit services	4,125	4,015
Depreciation	<u>580,484</u>	<u>546,600</u>

# Lever Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 7 Charitable activities

		<b>Total 2022 £</b>	<b>Total 2021 £</b>
Direct costs		5,214,558	5,259,700
Support costs - educational operations		<u>2,117,304</u>	<u>1,825,658</u>
		<u>7,331,862</u>	<u>7,085,358</u>
	<b>Educational operations £</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
<b>Analysis of support costs</b>			
Support staff costs	978,602	978,602	850,262
Depreciation	253,447	253,447	235,849
Technology costs	75,895	75,895	37,632
Premises costs	408,608	408,608	362,168
Legal costs - other	32,058	32,058	10,213
Other support costs	365,612	365,612	313,682
Governance costs	<u>3,082</u>	<u>3,082</u>	<u>15,852</u>
Total support costs	<u>2,117,304</u>	<u>2,117,304</u>	<u>1,825,658</u>

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 8 Staff

##### Staff costs

	2021/22 £	2020/21 £
<b>Staff costs during the year were:</b>		
Wages and salaries	3,601,958	3,736,733
Social security costs	381,610	386,717
Pension costs	1,129,578	1,062,124
	<u>5,113,146</u>	<u>5,185,574</u>
Agency staff costs	150,998	6,078
Staff restructuring costs	1,603	151,321
	<u>5,265,747</u>	<u>5,342,973</u>
	<b>2022 £</b>	<b>2021 £</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments	1,603	44,339
Other restructuring costs	-	26,673
	<u>1,603</u>	<u>71,012</u>

##### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £1,603 (2021: £80,309). Individually, the payments were:

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 8 Staff (continued)

##### Staff numbers

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

	2021/22 No	2020/21 No
Teachers	55	59
Administration and support	47	47
Management	5	6
	<u>107</u>	<u>112</u>

##### Higher paid staff

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

	2022 No	2021 No
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£100,001 - £110,000	<u>1</u>	<u>2</u>

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £454,587 (2021: £678,637).

#### 9 Related party transactions - trustees' 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 trustees' remuneration and other benefits was as follows:

D Mckean (Headteacher):

Remuneration: £105,000 - £110,000 (2021 - £100,000 - £105,000)

Employer's pension contributions: £0 - £5,000 (2021 - £0 - £5,000)

M Isherwood (Staff Trustee):

Remuneration: £45,000 - £50,000 (2021 - £55,000 - £60,000)

Employer's pension contributions: £10,000 - £15,000 (2021 - £10,000 - £15,000)

Other related party transactions involving the trustees are set out in note 26.

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 10 Trustees' and officers' insurance

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

#### 11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Total £
<b>Cost</b>				
At 1 September 2021	8,090,625	979,787	355,345	9,425,757
Additions	<u>1,275</u>	<u>683,629</u>	<u>11,560</u>	<u>696,464</u>
At 31 August 2022	<u>8,091,900</u>	<u>1,663,416</u>	<u>366,905</u>	<u>10,122,221</u>
<b>Depreciation</b>				
At 1 September 2021	1,688,888	440,958	209,860	2,339,706
Charge for the year	<u>327,037</u>	<u>198,132</u>	<u>55,316</u>	<u>580,485</u>
At 31 August 2022	<u>2,015,925</u>	<u>639,090</u>	<u>265,176</u>	<u>2,920,191</u>
<b>Net book value</b>				
At 31 August 2022	<u>6,075,975</u>	<u>1,024,326</u>	<u>101,729</u>	<u>7,202,030</u>
At 31 August 2021	<u>6,401,737</u>	<u>538,829</u>	<u>145,485</u>	<u>7,086,051</u>



## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 12 Debtors

	2022 £	2021 £
Trade debtors	15,100	11,913
VAT recoverable	179,977	128,391
Other debtors	-	89,452
Prepayments	107,033	17,383
Accrued grant and other income	785,101	515,654
	<u>1,087,211</u>	<u>762,793</u>

#### 13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	298,803	321,978
Loans	10,580	3,586
Other creditors	1	1
Accruals	72,606	193,883
Deferred income	164,532	150,300
	<u>546,522</u>	<u>669,748</u>
	<u>2022</u> £	<u>2021</u> £

#### Deferred income

Deferred income at 1 September 2021	150,300	2,181
Resources deferred in the period	164,532	150,300
Amounts released from previous periods	<u>(150,300)</u>	<u>(2,181)</u>
Deferred income at 31 August 2022	<u>164,532</u>	<u>150,300</u>

At the balance sheet date the academy trust was holding funds received in advance for Trips and Rates Relief income received in respect of 21/22.

#### 14 Creditors: amounts falling due after one year

	2022 £	2021 £
Loans	<u>142,842</u>	<u>118,166</u>

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 15 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	190,680	6,025,156	(5,625,400)	(147,611)	442,825
Other DfE/EFA grants	-	181,613	(181,613)	-	-
Local authority grants	-	23,197	(23,197)	-	-
Special educational projects	-	156,632	(156,632)	-	-
Donations	-	12,209	(12,209)	-	-
Pupil Premium	-	295,546	(295,546)	-	-
	<u>190,680</u>	<u>6,694,353</u>	<u>(6,294,597)</u>	<u>(147,611)</u>	<u>442,825</u>
<b>Restricted fixed asset funds</b>					
Fixed assets owned by academy	7,086,051	-	(568,924)	147,611	6,664,738
3G Pitch replacement fund	90,000	-	-	-	90,000
DfE/EFA Capital Grants DFC	162,433	21,601	-	-	184,034
CIF Rewire	463,311	714,478	-	-	1,177,789
Donated Fixed Assets	-	11,560	(11,560)	-	-
	<u>7,801,795</u>	<u>747,639</u>	<u>(580,484)</u>	<u>147,611</u>	<u>8,116,561</u>
<b>Restricted pension funds</b>					
Restricted Pension fund	<u>(3,324,000)</u>	<u>-</u>	<u>(411,000)</u>	<u>3,580,000</u>	<u>(155,000)</u>
Total restricted funds	4,668,475	7,441,992	(7,286,081)	3,580,000	8,404,386
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>255,184</u>	<u>232,777</u>	<u>(45,781)</u>	<u>-</u>	<u>442,180</u>
Total funds	<u>4,923,659</u>	<u>7,674,769</u>	<u>(7,331,862)</u>	<u>3,580,000</u>	<u>8,846,566</u>

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

# Lever Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

### 15 Funds (continued)

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	5,593,576	(5,248,896)	(154,000)	190,680
Other DfE/EFA grants	-	110,834	(110,834)	-	-
Local authority grants	-	29,060	(29,060)	-	-
Special educational projects	-	162,225	(162,225)	-	-
Donations	-	27,716	(27,716)	-	-
Other income	-	1,480	(1,480)	-	-
Teachers Pension Grant	-	203,515	(203,515)	-	-
Teachers Pay Grant	-	72,022	(72,022)	-	-
Pupil Premium	-	212,262	(212,262)	-	-
Covid catch-up premium	-	152,686	(152,686)	-	-
Other COVID-19 funding	-	30,470	(30,470)	-	-
	-	<u>6,595,846</u>	<u>(6,251,166)</u>	<u>(154,000)</u>	<u>190,680</u>
<b>Restricted fixed asset funds</b>					
Fixed assets owned by academy	7,059,200	-	(546,621)	573,472	7,086,051
3G Pitch replacement fund	60,000	-	-	30,000	90,000
DfE/EFA Capital Grants DFC	140,908	21,525	-	-	162,433
CIF Funding - Fire doors	2,536	-	-	(2,536)	-
CIF Funding	50	-	-	(50)	-
CIF Funding - Alarm	169,446	-	-	(169,446)	-
CIF Funding - Roof	175,580	-	-	(175,580)	-
CIF Rewire	-	539,016	-	(75,705)	463,311
Donated Fixed Assets	-	26,155	-	(26,155)	-
	<u>7,607,720</u>	<u>586,696</u>	<u>(546,621)</u>	<u>154,000</u>	<u>7,801,795</u>
<b>Restricted pension funds</b>					
Restricted Pension fund	<u>(2,344,000)</u>	-	<u>(251,000)</u>	<u>(729,000)</u>	<u>(3,324,000)</u>
Total restricted funds	5,263,720	7,182,542	(7,048,787)	(729,000)	4,668,475
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>246,303</u>	<u>45,452</u>	<u>(36,571)</u>	-	<u>255,184</u>
Total funds	<u>5,510,023</u>	<u>7,227,994</u>	<u>(7,085,358)</u>	<u>(729,000)</u>	<u>4,923,659</u>

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 15 Funds (continued)

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

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

#### 16 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	7,202,030	7,202,030
Current assets	442,180	1,132,189	914,531	2,488,900
Current liabilities	-	(546,522)	-	(546,522)
Creditors over 1 year	-	(142,842)	-	(142,842)
Pension scheme liability	-	(155,000)	-	(155,000)
Total net assets	<u>442,180</u>	<u>287,825</u>	<u>8,116,561</u>	<u>8,846,566</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	7,086,050	7,086,050
Current assets	255,184	978,594	715,745	1,949,523
Current liabilities	-	(669,748)	-	(669,748)
Creditors over 1 year	-	(118,166)	-	(118,166)
Pension scheme liability	-	(3,324,000)	-	(3,324,000)
Total net assets	<u>255,184</u>	<u>(3,133,320)</u>	<u>7,801,795</u>	<u>4,923,659</u>

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **17 Capital commitments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Contracted for, but not provided in the financial statements	<u>640,496</u>	<u>463,312</u>

#### **18 Commitments under operating leases**

##### ***Operating leases***

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	9,362	9,362
Amounts due between one and five years	<u>9,362</u>	<u>18,723</u>
	<u>18,724</u>	<u>28,085</u>

# **Lever Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **19 Reconciliation of net income to net cash inflow/(outflow) from operating activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the statement of financial activities)	342,907	142,636
Depreciation	580,485	546,600
Capital grants from DfE and other capital income	(736,079)	(586,696)
Interest receivable	(294)	(112)
Defined benefit pension scheme cost less contributions payable	353,000	210,000
Defined benefit pension scheme finance cost	58,000	41,000
Increase in debtors	(324,418)	(213,431)
(Decrease)/increase in creditors	<u>(133,804)</u>	<u>376,059</u>
Net cash provided by Operating Activities	<u>139,797</u>	<u>516,056</u>

### **20 Cash flows from financing activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Cash inflows from new borrowing	<u>35,253</u>	<u>55,952</u>
Net cash provided by financing activities	<u>35,253</u>	<u>55,952</u>

### **21 Cash flows from investing activities**

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	294	112
Purchase of tangible fixed assets	(696,464)	(547,316)
Capital funding received from sponsors and others	<u>736,079</u>	<u>560,541</u>
Net cash provided by investing activities	<u>39,909</u>	<u>13,337</u>

### **22 Analysis of cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	<u>1,401,689</u>	<u>1,186,730</u>
Total cash and cash equivalents	<u>1,401,689</u>	<u>1,186,730</u>

# **Lever Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

### **23 Analysis of changes in net debt**

	<b>At 1 September 2021 £</b>	<b>Cash flows £</b>	<b>At 31 August 2022 £</b>
Cash	1,186,730	214,960	1,401,689
Loans falling due within one year	(3,586)	(6,994)	(10,580)
Loans falling due after more than one year	<u>(118,166)</u>	<u>(24,676)</u>	<u>(142,842)</u>
	<u>(121,752)</u>	<u>(31,670)</u>	<u>(153,422)</u>
Total	<u>1,064,978</u>	<u>183,290</u>	<u>1,248,267</u>

## **Lever 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 may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

#### **25 Pension and similar obligations**

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### **Valuation of the Teachers' Pension Scheme**

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



## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **25 Pension and similar obligations (continued)**

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

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

The employer's pension costs paid to TPS in the period amounted to £508,432 (2021: £564,983).

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

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

#### **Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £296,000 (2021 - £296,000), of which employer's contributions totalled £236,000 (2021 - £236,000) and employees' contributions totalled £60,000 (2021 - £60,000). The agreed contribution rates for future years are 24.8 per cent for employers and 5.85 and 8.5 per cent for employees.

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

#### **Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.80	3.70
Rate of increase for pensions in payment/inflation	3.10	2.90
Discount rate for scheme liabilities	<u>4.30</u>	<u>1.70</u>

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

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 25 Pension and similar obligations (continued)

	2022	2021
<b>Retiring today</b>		
Males retiring today	20.30	20.50
Females retiring today	23.20	23.30
<b>Retiring in 20 years</b>		
Males retiring in 20 years	21.60	21.90
Females retiring in 20 years	<u>25.10</u>	<u>25.30</u>
<b>Sensitivity analysis</b>		
	<b>2022</b>	<b>2021</b>
	£	£
Discount rate -0.1%	99,000.00	182,000.00
Salary increase rate +0.1%	12,000.00	22,000.00
1 year increase in member life expectancy	139,000.00	253,000.00
Pension increase rate +0.1%	<u>87,000.00</u>	<u>157,000.00</u>

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

	<b>2022</b>	<b>2021</b>
	£	£
Equities	2,295,630	2,134,260
Corporate bonds	465,780	450,900
Property	299,430	210,420
Cash and other liquid assets	<u>266,160</u>	<u>210,420</u>
Total market value of assets	<u>3,327,000</u>	<u>3,006,000</u>

The actual return on scheme assets was £42,000 (2021 - £474,000).

## Lever Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 25 Pension and similar obligations (continued)

##### Amounts recognised in the statement of financial activities

	2021/22 £	2020/21 £
Current service cost	(353,000)	(210,000)
Interest income	52,000	41,000
Interest cost	<u>(110,000)</u>	<u>(82,000)</u>
Total amount recognized in the SOFA	<u>(411,000)</u>	<u>(251,000)</u>

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

	2021/22 £	2020/21 £
At start of period	6,330,000	4,596,000
Current service cost	589,000	446,000
Interest cost	110,000	82,000
Employee contributions	60,000	60,000
Actuarial (gain)/loss	(3,590,000)	1,162,000
Benefits paid	<u>(17,000)</u>	<u>(16,000)</u>
At 31 August	<u>3,482,000</u>	<u>6,330,000</u>

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

	2021/22 £	2020/21 £
At start of period	3,006,000	2,252,000
Interest income	52,000	41,000
Actuarial gain/(loss)	(10,000)	433,000
Employer contributions	236,000	236,000
Employee contributions	60,000	60,000
Benefits paid	<u>(17,000)</u>	<u>(16,000)</u>
At 31 August	<u>3,327,000</u>	<u>3,006,000</u>

#### 26 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

## **Lever Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

#### **26 Related party transactions (continued)**

##### **Expenditure related party transactions**

During the year the academy made the following related party transactions:

##### **Bolton Impact Trust**

(Bolton Impact Trust is a company in which D McKeon , P Hodgkinson ( trustees) and K Halliwell are directors.)

During the year the school paid £60,192 (2021: £44,352) to Bolton Impact Trust in respect of pupil referral services.

In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

The element above £2,500 has been provided 'at no more than cost' and Bolton Impact Trust has provided a statement of assurance confirming this.

At the balance sheet date the amount due to Bolton Impact Trust was £Nil (2021 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.