

**STEPHENSON MULTI ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**for the year ended**

**31 August 2021**

**COMPANY REGISTRATION NUMBER: 10564255**  
**(ENGLAND AND WALES)**

# STEPHENSON MULTI ACADEMY TRUST

## Annual Report and Financial Statements Year ended 31 August 2021

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# STEPHENSON MULTI ACADEMY TRUST

## Reference and administrative details of the academy, governors and advisers

Year ended 31 August 2021

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Members:	Mr A F Powlesland - <i>resigned 12/01/21</i> Mrs M Mellor - <i>appointed from 10/12/20</i> Mr J P Boyer - <i>appointed from 03/02/21</i> Mr G Charlton Mr S Anderson
Trustees:	Mr J P Boyer ( <i>Chair - elected from 03/02/21</i> ) Mr D T Boyer Mrs M K Mellor ( <i>resigned from 10/12/20</i> ) Ms L Flaherty ( <i>resigned from 31/01/21</i> ) Ms M Peers-Zilkova ( <i>resigned from 01/11/20</i> ) Mr M Sanderson ( <i>resigned from 16/07/21</i> ) Mrs C Hunt ( <i>Vice Chair - appointed from 17/05/21</i> ) Mr W Richardson ( <i>appointed from 17/05/21</i> ) Prof M Thomas ( <i>appointed from 17/05/21</i> )
Senior Management Team:	Accounting Officer (and Chief Operating Officer) - Mr R Owens Chief Finance Officer - Mrs K Kearns Headteacher (RHS) - Mrs J Thorogood
Company Name	Stephenson Multi Academy Trust
Principal and Registered Office:	Warrington Road Rainhill Prescot L35 6NY
Company Registration Number:	10564255 (England and Wales)
Independent Auditor:	Mitchell Charlesworth LLP 3rd Floor 5 Temple Square Temple Street Liverpool L2 5RH
Bankers:	National Westminster Bank plc NatWest Commercial Banking St Helens PO Box 147 1st Floor 5 Ormskirk Street WA10 1DT
Solicitors:	Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS2 3AG

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# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year 1 September 2020 to 31 August 2021. 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 18 serving a catchment area of St Helens, Knowsley, Halton, Warrington and Liverpool. It has a pupil capacity of 1,870 (1,500 x pre-16 and 370 x post 16 (of which 250 on site at Rainhill and 120 located at its site in Wavertree)) and had a roll of 1,862 in the school census on 7 October 2021.

### Structure, governance and management

#### Constitution

Stephenson Multi Academy Trust (Stephenson MAT), is a company limited by guarantee and is as an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Stephenson Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year, and to the date of 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 ceased 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

Subject to the provisions of the Companies Act 2006, every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

#### Method of recruitment and appointment of new trustees and governors

Trustees hold office for a term of 4 years. At the end of their term, Trustees are eligible for reappointment to serve a further term.

When recruiting new Trustees and Governors, a skills audit is conducted to give proper consideration to the attributes of potential Trustees and Governors ensuring that any appointments therefore enhance the effectiveness of the Board of Trustees and/or Local Governing Body in line with the Articles of Association.

The process of appointing new Trustees and Governors can be summarised as:

1. Need highlighted by skills audit
2. Potential candidates submit CV and covering letter detailing why they want the position and how they would value
3. Members/Board of Trustees/Local Governing Body (as appropriate) consider applications and agree those to be interviewed
4. Interviews take place of selected candidates
5. Appointment made and induction undertaken

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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In addition to the above summarised process, it should be noted:

The appointment of Trustees may be made by the Members passing an ordinary resolution as contained within the Articles of Association. The appointment of Local Governors may be made by Trustees passing an ordinary resolution.

With regards to the appointment of parent and staff Governors to the Local Governing Body – procedures are in place for their nomination, election and appointment.

### Policies and procedures adopted for the induction and training of trustees

After appointment, trustees and governors receive induction training and are supplied with all of the necessary documents that they need to fulfil their role as trustees or governors. All new trustees and governors are given a tour of the Academy and the chance to meet with staff and students.

All trustees and governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a trustee or governor. As there are normally only two or three new appointments each year, induction tends to be done informally and is tailored specifically to the individual.

### Organisational structure

Stephenson Multi-Academy Trust (Stephenson MAT) is a company limited by guarantee and is registered as an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Trustees of the Academy also act as directors of the charitable company for the purposes of company law. Trustees hold office for a term of 4 years. At the end of their term, Trustees are eligible for reappointment to serve a further term.

Stephenson MAT, for the period concerned, comprises of Rainhill High School and Sixth Form and has the following structure - Members, the Trust Board (the Trustees), The Local Governing Body (the Governing Body) and the Senior Leadership Team. The aims of the organisational structure are to declare responsibility and encourage involvement in decision making at all levels.

**The Members** - are akin to the shareholders of a company. They have ultimate control over the Academy Trust, with the ability to appoint Trustees and the right to amend the Trust's Articles of Association. The Members meet on a minimum of one occasion per year.

#### 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 ceased 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.

**The Trust Board (Trustees)** - is responsible for the overall strategic direction of the Trust and for those statutory duties that cannot be delegated to sub-committees as outlined in the Articles of Association and the Scheme of Delegation for the Trust. The Trustees are therefore principally responsible for three core functions: setting the strategic direction of the Trust, holding the Accounting Officer and Headteacher to account and ensuring financial probity. It should be noted that the Trustees are also Trustees of the charity for the purposes of the Companies Act 2006. The Trust Board meets on a minimum of three occasions per year.

**The Local Governing Body** - is responsible for those functions delegated to it by the Trust Board as outlined in the Scheme of Delegation and Terms of Reference for Local Governing Body Committees. The Local Governing Body will have a minimum representation of 2 x parent Governors and will meet on a minimum of 3 occasions per year.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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Professional Indemnity Insurance, through the Department for Education's Risk Protection Arrangement, is in place to protect Trustees, Governors and officers from claims arising from negligent acts, errors or omissions occurring on Trust business.

**The Senior Leadership Team (SLT)** - consists of the Accounting Officer (also Chief Operating Officer), Headteacher, three Deputy Headteachers, a Senior Assistant Headteacher and two Assistant Headteachers, who are responsible for the leadership of the Academy and are accountable for the quality of education provided to the students, they are also accountable for the outcomes achieved by students and must ensure they meet the expectations of the Department of Education (DfE) and Ofsted.

SLT are also responsible for implementing the policies and recommendations agreed by the Trustees and Local Governing Body (as applicable in accordance with the Scheme of Delegation) and are required to provide regular and appropriate feedback to furnish Trustees and/or Governors with the knowledge and information to provide strategic leadership.

The behaviour and safety of students is also the responsibility of the SLT, which includes safeguarding young people and providing an infrastructure to ensure children have the appropriate environment conducive to learning.

The Trust Senior Management Team comprises the Accounting Officer, Headteacher (RHS) and Chief Finance Officer.

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

Stephenson MAT Trustees are non-salaried and therefore no pay and remuneration scales are applicable.

The Trust continues to refer to School Teachers' Pay & Conditions Document (STPCD) and National Joint Conditions (NJC) to support teaching and non-teaching scale setting and pay decisions.

The setting of salaries (and pay range) for the Headteacher, Chief Operating Officer (Accounting Officer), Deputy Headteachers and Assistant Headteachers is undertaken using the STPCD Leadership Pay Group Section Guidance.

The Trust employs a local authority generated job evaluation scheme to establish support staff salary ranges.

### **Related parties and other connected charities and organisations**

Stephenson MAT does not have any formal relationships with related parties and any other charities/companies/organisations with which it cooperates in the pursuit of charitable activities.

The Senior Leadership Team continue to be an active part in the St Helens Family of Schools and continue to attend local forums such as the St Helens Association of Headteachers. The Chief Operating Officer is also the Chair of the Liverpool City Region Academies Group, whose constitution is based on positive collaboration across the Liverpool City Region for the benefit of the pupils and staff the schools serve.

The Chief Operating Officer is also part of the Department for Education (DfE) Schools Commercial Team User Group, which promotes initiatives and collaborative opportunities that seek to reduce expenditure and increase income to positively benefit schools across the country and the pupils they serve, and the DfE's Schools Commercial Board.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

### Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1% - 50%	0
51% - 99%	0
100%	0

#### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£-
Provide the total payroll bill	£-
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100.

#### Objectives and activities

- Ensure that every child is safe and well cared for and that families are well supported.
- Raise the aspirations, expectations and attainment of all children.
- Respect, value and provide opportunity for all students and enable them to reach their true potential.
- Develop and mature all young people to become responsible citizens who can thrive in modern Britain and are able and willing to make a valuable contribution to society.
- Provide a high-quality learning culture and environment that supports learning and a curiosity of the world.
- Develop and support staff to develop professionally and be an employer of choice.
- Ensure that the local community has a school they can be proud of and that invests in them.
- Be an outward facing Trust that develops and shares good practice with its partners.
- Be financially robust, compliant with the Academies Financial Handbook and operate in accordance with our Articles of Association.
- Operate within the values of our mission statement; students, staff, parents and governance.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

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### Public benefit

The Trustees have reviewed the current activities of the charitable company and confirm that they are in line with its objectives. All the activities of the organisation carried out during the year 1 September 2020 to 31 August 2021 are in pursuance of the Trust's objectives and are considered to be for the public benefit. All services provided are free to all beneficiaries irrespective of capacity, ethnicity, faith, religious conviction or social economic environment. The Trustees also confirm that the organisation's aims and objectives fall within the descriptions of purposes in the Charities Act 2006 and are recognised as charitable and are carried out for the public benefit.

### Equal Opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunities in all areas of its activities, including creating a working environment in which the contribution and needs of all people are fully valued.

The policy of the Trust is to support recruitment and retention of students and employees irrespective of their disability, age, race, religion, gender or sexuality.

### Strategic Report

#### Key performance indicators

Ofsted Framework Section 5 inspection	School Judgement
Behaviour and Attitudes	Good
Personal Development	Good
Leadership and Management	Good
Sixth Form Provision	Good
Quality of Education	Requires Improvement
<b>Overall Effectiveness</b>	<b>Requires Improvement</b>

### Achievement

Due to Centre Assessed Grades being used in 2021, and therefore no published information being available, the figures below are the published 2019 figures.

Measure	2019
Average Total Attainment 8	50.07
Average Total Progress 8	0.11
Students achieving 9-5 in English and Maths	48.7%
Students entered for EBACC	47.9%
Students in COHORT achieving the EBACC (standard pass)	33.5%
Students in the COHORT achieving the EBACC (Strong Pass)	22.5%
Percentage of students staying in education or employment after KS4 (destination)	96%



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## Trustees' Report

Year ended 31 August 2021

The summary of Centre Assessed Grades, which were published internally, for 2021 are as follows:

### GCSE Qualifications 2021

Subjects	Entries	9 - 7 %	9 - 4 %	9 - 1 %
Art	22	27.3	95.5	100
Art Graphics	38	28.9	97.4	100
Art Photography	87	25.3	95.4	100
Art Textiles	17	29.4	100	100
Catering	42	21.4	78.6	100
Computing	20	30	90	95
Drama	26	42.3	100	100
English Lang	234	19.7	88.5	100
English Lit	236	21.2	77.5	100
Geography	109	32.1	78	98.2
History	142	30.3	76.8	97.9
Maths	240	26.3	84.2	97.5
MFL French	48	22.9	77.1	100
MFL German	35	31.4	100	100
MFL Spanish	33	42.4	100	100
PE	36	52.8	94.4	100
RE	2	0	50	100
Sci Biology	51	68.6	98	100
Sci Chemistry	50	66	100	100
Sci Physics	50	64	100	100
Textiles	21	19	90.5	100
Sci Trilogy	183	12	74	100

### Level 2 Qualifications 2021

Subjects	Entries	D* - D %	D* - M %	D* - P %
BTEC Construction	11	63.6	81.8	90.9
BTEC PE	23	52.2	87	95.7
BTEC Business	53	37.7	75.5	98.1
BTEC Dance	37	45.9	70.3	100
BTEC Media	32	43.8	75	100
OCR ICT	22	45.5	68.2	90.9

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## Trustees' Report

Year ended 31 August 2021

### Post 16 Results

#### GCE Qualifications 2021

Subject	Entries	A* - A %	A* - B %	A* - C %	A* - E %
Art (Fine)	2	50	50	100	100
Art Graphics	5	0	20	100	100
Art Photography	8	12.5	50	100	100
Art Textiles	3	0	33.3	66.7	100
Biology	18	33.3	50	77.8	100
Chemistry	8	37.5	62.5	75	100
Computing	5	40	80	100	100
Economics	8	50	87.5	100	100
English Language	9	22.2	44.4	100	100
English Literature	4	25	75	100	100
Further Maths	1	100	100	100	100
Geography	10	50	80	90	100
History	9	33.3	66.7	88.9	100
Law	3	33.3	66.7	66.7	100
Maths	23	39.1	65.2	82.6	100
MFL French	3	33.3	66.7	100	100
MFL German	2	50	100	100	100
MFL Spanish	3	66.7	66.7	100	100
Physics	7	42.9	71.4	100	100
Politics	4	25	75	100	100
Psychology	11	27.3	72.7	100	100
Sociology	14	21.4	57.1	85.7	100
Theatre Studies	7	28.6	28.6	100	100
L3 Criminology	14	28.6	42.9	85.7	100

#### Level 3 Qualifications 2021

Subject	Entries	D*D* %	D*D* - DD %	D*D* - MM %	D*D* - PP %
BTEC National Diploma Dance	4	50	100	100	100
BTEC National Diploma Fashion Design & Production	5	20	60	80	100
BTEC National Diploma Health & Social Care	3	0	66.7	100	100
Cambridge Technical Diploma Sport	3	0	66.7	100	100
Subject	Entries	D* %	D* - M %	D* - P %	
BTEC National Foundation Diploma Dance	4	0	100	100	
BTEC National Extended Certificate Applied Science	6	0	100	100	
BTEC National Extended Certificate Business	18	0	100	100	
BTEC National Extended Certificate Health & Social Care	8	0	100	100	
BTEC National Extended Certificate Media	8	25	100	100	
Cambridge Technical Extended Certificate Sport	10	20	100	100	

Rainhill High School has a strong and consistent record of achievement, at both GCSE and GCE, over time; the 2021 results maintain this strong record despite the continued changes and volatility of exams nationally and impact of COVID-19 on students learning.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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### Going concern

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

### Financial review

The Statement of Financial Activities and Balance Sheets are shown on pages 35 to 37.

The majority of the Trust and Academy income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received from the ESFA, together with any other restricted funding (and associated expenditure) received from any other sources (such as the Liverpool Football Club (LFC) Partnership and peripatetic music lessons), in the period ended 31st August 2020 are shown as restricted income in the restricted general fund and fixed asset fund in the Statement of Financial Activities in line with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2019). The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

The majority of unrestricted income for the Academy is generated by way of community use charges for our lettings programme, which makes use of the academy's facilities. Other unrestricted income comes from the sale of school uniform, income generated from agreed profit share pertaining to catering, income generated from vending machines cited at the school, Duke of Edinburgh, Teacher Training Placements and a small amount of consultancy that some staff undertaken to support other schools.

During the year ended 31 August 2021, total expenditure (excluding depreciation, capitalised works and actuarial pension adjustments) was £10,080,245 with total revenue income being £10,494,313; this, together with brought forward unrestricted reserves of £1,560,684 and unfunded capital expenditure of £406,043 provided a carry-forward (of unrestricted reserves) of £1,746,763 as at 31 August 2021. This is a positive overall financial position offering both an in-year (£8,025) and cumulative surplus.

With respect the longer-term cash position (income an expenditure statement) and therefore cash flow – both the in-year and cumulative balances are positive across the three-year projection, with an increasing cumulative surplus projected year on year. This is a strong position to be in, especially considering the, prudently, cautious approach taken to the projection, and reflects the robust financial management employed within the Trust.

The Trust is also aware of the need to re-invest revenue balances, especially given the increasing nature of them, and therefore is exploring a number of capital projects, both building and IT related, to invest in for the benefit of the students including:

- A new pastoral base
- Additional classrooms
- Additional refurb works (over and above that which already planned) for highlighted areas of school
- A new roof on one of the Trusts buildings

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## Trustees' Report

Year ended 31 August 2021

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Key considerations incorporated within the projection include, but are not limited to:

1. The updated funding settlement announced by the Government and the implications to pre-16 funding\*.
2. FE developments, in particular T-level and apprenticeship funding as we will be offering both pathways within the next three years.
3. COVID-19 expenditure (not re-paid by DfE funding) including COVID Recovery and associated expenditure.
4. The need to invest significantly in IT and cyber services to ensure infrastructure is fit for purpose and as secure as possible in an ever-evolving environment\*.
5. Year on year increases in staff (teaching and support staff) pay.
6. Likely capital funding, including Devolved Formula Capital, Salix and Condition Improvement Funding opportunities.
7. The impact of Brexit and likely consequential cost increases for certain commodities in the short or medium term, in particular energy costs and the cost of building materials\*.
8. Pupil Premium funding levels.
9. The school development plan and associated key priorities.
10. The school premises plan.

*\*denotes new consideration for 2021/22 and beyond.*

An integrated curriculum financial planning approach is taken to the budget projection to ensure that forecasts are accurate and best reflect the needs of the school and the pupils it serves.

The profit and loss (shown later in this report) statement illustrates a more negative position compared with the income and expenditure statement (cash position), however this position should be treated with caution as it makes provision for non-cash items such as depreciation, pension adjustments and capitalised works adjustments, all of which do not affect the revenue position, and consequently available funds, of the Trust.

Trustees are kept informed of the Trust's financial position, and associated risks and contributory factors that affect it, through:

- Management accounts being made available to all Trustees each month with a summary report provided, in addition, for the Chair of Trustees.
- Financial reports, including budget updates, being presented 3 x times per year to the Finance and Audit Committee and Board of Trustees.
- Responsible Officer Visits, and resulting reports, taking place twice per year in addition to the end of year audit.
- Half termly update meetings between the Chief Operating Officer and Link Finance Trustee.

In summary, the Trustees are fully aware of the school's financial position and use all of the information available to build a detailed picture of both short and long-term financial health and to also constructively hold senior leaders to account for financial decisions; they also use the available information to facilitate the construction and implementation of an effective action plan that seeks to maintain financial health and ensure that an integrated curriculum financial approach continues to be taken.

The Risk Register is also actively used by the Trustees to catalogue and review risks that may impact upon the financial position of the school in addition to agreeing action to mitigate them. Senior leaders use the register for the same purpose in addition to informing budget projection planning and prioritising focus areas where risk needs to be mitigated and formulating the strategic and operational plan for doing so.

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## Trustees' Report

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Given the healthy state of the budget position and the confidence around the prediction of future revenue expenditure demands (which the 'Plans for the Future' section below goes into greater details about) it is proposed that Trustees will consider, once again, transferring an amount the aforementioned surplus to capital funds; this will be discussed in greater detail as part of Trustees meetings at the end of 2021 and into 2022.

It should also be noted that, as in previous years, a further £32k will be transferred to ring-fenced reserves as per the MAT's reserve strategy as outlined in the section below.

### Reserves policy

The Trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trusts current level of reserves (carry forward from 2020/21) is £1,814,709 (made up of restricted and unrestricted reserves).

The Trustees have decided to adopt a prudent approach to reserves and aim to build a designated reserve (which will sit on the balance sheet) of £32,000 per annum (£320,000 over 10 years, which represents approximately 5% of overall income) to safeguard against unforeseen circumstances, capital improvements or developments, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the quality of education received at the Academy. The value of this designated reserve currently stands at £160,000

Our other designated reserve relates to the 3G pitch sinking fund, which we contribute £25k per annum to in order to enable us to replace the pitch after a period of 10 years, at a cost of £250,000. The value of this designated reserve currently stands at £200,000

In addition to the designated reserves, the Trust will always seek to keep £600,000 in unrestricted reserves as this represents one month's salary costs (including on-costs), which is the suggested reserve level from organisations such as the Association of School and College Leaders, Institute of School Business Leaders and Confederation of School Trusts.

### Investment policy

In accordance with the Articles of Association, the Trustees can deposit or invest funds not immediately required. Given the ageing building stock and key infrastructure repairs required, a decision was taken not to invest any surplus funding in 2020/21 in order to ensure easy access to it should it be required.

This approach will be reviewed annually to ensure the most financially prudent decision is taken based on current and projected future circumstances.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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### Principal risks and uncertainties

The principal risks to the Trust are documented and managed using the Stephenson MAT Risk Register, which is reviewed regularly as part of Link Trustee visits, Finance & Audit Committee meetings and senior leadership meetings.

The main areas of risk for the MAT are categorised into financial, strategic & reputational, operational and compliance related risks. The Risk Register describes the risks and uncertainties faced by the Trust and 'rag rates' their likelihood and significance before documenting key controls and the residual risk. Based on the ratings applied, the most pertinent risks to the Trust are currently:

- Overspend of budget caused by unexpected statutory increases in key expenditure areas i.e. salary/NI/Curriculum subject specification changes;
- Loss caused by lack of security over assets, excluding cash;
- Unplanned COVID-19 related spend;
- Reduction in post-16 funding due to falling students' numbers as a result of not planning appropriately for FE reform (T-Levels & Apprenticeships) adequately;
- Failure to secure additional capital funding;
- Insufficient / substandard IT infrastructure and cyber security;
- Failure of the school to recruit sufficient learners to make it viable;
- Failure to monitor and react accordingly to the risks associated with competitor establishments;
- Failure to the Trust to maintain its partnership with Liverpool Football Club and/or Fowler Education Football Academy;
- Failure to monitor the effect of risks over which the school has no or little control, such as economic and natural disaster;
- Failure to ensure that the Trustees and Governors who are recruited to the Board of Trustees and Governing Body possess the skills and experience required);
- Failure to appoint an adequately trained and experienced Chair of Governors;
- Failure of the Trustees to appoint a permanent leadership structure of the MAT when it becomes necessary;
- Failure of the school to be graded as Good or Outstanding as a result of its next inspection;
- Failure of the school to provide a compliant (with DfE and Ofsted regulations) curriculum that is appropriate and offers the right level of challenge and encouragement
- COVID-19 outbreak at the school;
- Failure of the Senior Leaders to develop a proactive and adept senior leadership team
- Failure of the Senior Leaders to put a fit for purpose structure and system of controls in with respect to the pastoral (behaviour and PDBW) management at the school
- Failure to implement COVID-19 risk assessment
- Failure to ensure that SENK provision is consistently good across all classes
- Failure to ensure student behaviour is good
- Failure to ensure that the school complies with environmental legislation complied with;
- Failure to ensure that School Data Protection systems, procedures and processes are adequate.

Risk management strategies, which are also documented in the Risk Register, are formulated and actioned in relation to the highest scoring risks and are reported on regularly to the Link Trustee and Finance and Audit Committee in order to avoid, or mitigate, any negative impact on the Trust.

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## Trustees' Report

Year ended 31 August 2021

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Other action that is taken to mitigate all risks includes:

- Formal written and published policies for employees;
- Robust implementation of vetting procedures, as required by legislation, for the protection of vulnerable young people and adults;
- Ensuring that Stephenson MAT has an organisational structure with clearly defined roles, responsibilities and authorisation levels;
- Establishing clear terms of reference for the committees and sub-committees of the MAT;
- Continuous integrated curriculum financial planning, budgeting, reviewing and management reporting highlighting key areas of financial and operational risk and putting in place strategies for mitigating that risk;
- Proactive searching for, and reviewing of, relevant trade and/or specialism documentation to inform strategy development and decision making;
- Robust due diligence procedures in place for new contracts and commissions;
- Input, support and challenge from external experts (individuals and organisations) such as the School Improvement Partner, National Governance Association, accountants, auditors, Data Protection Lead and legal advisors;
- Networking and sharing of experience and expertise with groups such as The St Helens Association of Headteachers, Liverpool City Region Academies Group and the DfE National Network Leaders Group;
- The attaining and continued review of key accreditations such as Cyber Essentials;
- The regular reviewing of all existing risks and assessing whether any new risks have to be accounted for and mitigated.

### Financial risks

With specific regard to financial risks, the following actions are taken to mitigate the risks outlined in the Risk Register:

- Employment of sound financial management and internal control processes, including clear and rigorous procurement processes that ensure best value.
- Balanced budgets are set for the MAT with an 'in-year' balanced or surplus position being the primary aim.
- Actual performance against agreed budgets is closely monitored by the Academy Business Manager and Chief Operating Officer as part of monthly meetings and by the Trustees Finance & Audit Committee as part of its termly meetings.
- Management Accounts, and supplementary commentary, are provided monthly to Trustees to enable them to review the financial position of the school and ask questions/provide challenge when required.
- COVID-19 related spend is monitored and identified as a distinct budget in order to ensure that reclaims from the DfE are accurate and the impact of any non-refundable expenditure is correctly factored into budget projections.
- Bank and cash reconciliations are carried out routinely by the Academy Business Manager and signed by the Chief Operating Officer.
- All orders and cheques are signed-off by the finance team with appropriate segregation of duties in place.
- Payroll is undertaken internally (BACS Bureau is outsourced) under the management of the Academy Business Manager and verified by the Chief Operating Officer.
- The appropriateness and integrity of internal controls is assessed and reported to the Trustees by the external auditors three times per year as part of Responsible Officer visits and the annual audit, with any action required being put into an action plan and reported on.
- Monthly management accounts are produced and reviewed to identify any anomalies between projected and actual financial estimations.
- The Link Trustee for finance meets with the Chief Operating Officer 3 x times per year to review financial controls, quality control checks, budgeting assumptions and key data that may impact on the financial position of the school in the short, medium and long term.
- The Chief Operating Officer is widely networked, which allows access to key information and discussions that help shape an accurate budget projection as a result of incorporating key assumptions into future years.
- The security of financial data is administered by an in-house team of IT professionals who adhere to data protection (including the GDPR) regulations with Cyber Essentials Accreditation having been attained by the school in April 2021.
- Remaining risks are mitigated, to a large extent, via comprehensive insurance policies through the Department for Education's Risk Protection Arrangement.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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### Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016, Stephenson MAT is required to publish information regarding its fundraising practices.

- **Approach to fundraising** – Stephenson MAT currently seeks out, and applies for, a variety of funding bids annually. In 2021/22, the Trust will be seeking to engage, on a 'contactor' arrangement, the services of an experienced 'fundraiser' who will seek to apply to a variety of funding streams in order to secure funding for highlighted projects at the school. This was an objective in 2020/21, however due to COVID this appointment could not be realised and therefore was carried over to 2021/22.  
During 2020/21, Rainhill High School also established a Parent, Teacher and Friend Association (PTFA), which has its own constitution and whose primary aim is to fundraise, through the hosting of a variety of events, to support agreed projects at the school, which will benefit the students the school serves. The PTFA are aiming, during 2021/22 to attain their own charitable status.
- **Fundraising conforming to recognised standards** – all fundraising that Stephenson MAT undertakes is compliant with relevant and recognised standards and legislation;
- **Monitoring of fundraising carried out on its behalf** – The Academy Business Manager monitors fundraising activities associated with the school and reports to the Chief Operating Officer to ensure that any fundraising is not only legally compliant but is also in-keeping with the ethos and values of the Trust. The Chief Operating Officer is a member of PTFA to, in addition to providing general support, monitor fundraising.
- **Fundraising complaints** – Any complaints regarding Stephenson MAT fundraising can be made via the Trust's Complaints Procedure; to date no complaints have been raised;
- **Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.** – Stephenson MAT employs a non-invasive method of fundraising that has choice as a primary driver.

Our approach to fundraising and rules governing it are outlined in our Fundraising Policy.

### COVID

The risk register has been updated to incorporate risks associated with COVID, which include financial, operational and reputational.

The Academy was, within the 2020/21 academic year, able to remain open (both during term time and throughout school holidays, including bank holidays) for the children of key workers and those deemed 'vulnerable' thanks to the willingness of staff.

A robust risk assessment was undertaken and updated throughout the period to ensure that risks were mitigated as far as possible, thereby ensuring the safety of those present. The implementation of the risk assessment necessitated additional expenditure pertaining, primarily, to cleaning, the purchasing of additional teaching resources, IT infrastructure (such as laptops, 'dongles' for internet access and webcams) and site resources such as signage and single use refreshment items.

The Academy participated in the national free school meals voucher scheme, acting as a facilitator for the distribution of vouchers from the scheme provider to parents of eligible pupils. In addition, the academy worked with other local organisations to provide food hampers to those most in need.

With respect to pastoral support, the academy's staff worked tirelessly throughout the COVID pandemic lockdown to ensure that all pupils, and their families, were contacted regularly and supported as needed - both academically and pastorally.



# STEPHENSON MULTI ACADEMY TRUST

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During the lockdown experienced in early 2021, the Trust embraced remote learning (having utilized it in earlier lockdowns) to ensure that students were provided with an interactive and diverse blend of live lessons and pre-prepared resources to complete key topics of work until 'in-person' teaching was allowed to resume. The COVID Recovery summary paper, available on Rainhill High School website, goes into greater detail regarding the curriculum offered during lockdown and the plethora of strategies implemented to try and ensure students, academically, but also socially and emotionally, were able to continue to develop.

The employment of virtual meetings has been seamless (and has continued, where appropriate, into the 2021/22 academic year) which has ensured that communication with parents, amongst networks and between staff and students (when one or the other is self-isolating) has been able to be maintained, consequently ensuring as much 'normality' as possible.

Financially, we don't believe that COVID has been detrimental to us during the 2020/21 year as any expenditure was offset by financial support from the government or from savings made within our own budget (for example reduced energy costs and reduced spend on subject capitations), however we do have concerns moving forward into the 21/22 academic year as COVID Recovery related costs, which will include expenditure related to academic interventions (such as additional lessons and tutoring), mental health support (for example counsellors and education psychologists) and staffing (i.e. cover for absent staff) will represent additional expenditure that not be fully covered by the grant funding made available by the Government; senior leaders and the Board of Trustees will regularly monitor COVID related expenditure to ensure that, if required, reserves can be allocated to ensure that key services and interventions, for the benefit of the students, can be successfully implemented.

### Plans for future periods

#### Capital plans

In 2020/21, Stephenson MAT submitted two Condition Improvement Fund (CIF) applications, one for the replacement of its windows and heating systems (all of which are failing and in need of replacement) and one for the installation of a new perimeter fence; despite the first bid unsuccessful, the bid for the new perimeter fence was successful and therefore work will be planned and carried out during the 2021/22 academic year.

Stephenson MAT also committed an additional £555,430 from its reserves for capital projects during 2020/21, which included:

- The building and furnishing of a new library
- The complete refurbishment (floors, ceiling, painting and furniture) of the English Faculty
- The installation of two new computer suites
- The replacement of flagged external areas of school with a more appropriate tarmac surface
- The installation of a new external path to enter and exit school
- The refurbishment of staff toilets (work to be undertaken in 2021/22)
- The installation of a new medical room and reception area (work to be undertaken in 2021/22)

2020/21 represented the single biggest investment into the site in over 10 years and was made possible by prudent financial management and strategic planning. The continued investment into the school's infrastructure, both from a site and IT perspective, has been incorporated into the budget projection based on the school's own financial position and is not therefore reliant on CIF funding.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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### Capital plans for future periods

Stephenson MAT is also proposing to submit two CIF bids in 2021/22, one for fire risk assessment related works (new fire doors, fire alarm system etc.) and the other for window replacement across the entire site, on an energy efficiency and security basis.

With respect to planned capital spend for 2021/22 – Stephenson MAT has incorporated into the budget:

- Refurbishment of the Maths faculty (circa £60,000)
- Tarmacking, roof repairs and repair of walls in highlighted areas (circa £60,000)
- Investment in IT infrastructure (circa £30,000)

With respect to its reserves – Stephenson MAT Trustees will consider, within the 2021/22 year, whether to release an agreed amount of funding for:

- The building of four additional rooms to be used to meet the schools needs regarding adequate:
  - Teaching spaces
  - Pastoral spaces
  - SEN spaces
- The refurbishment of its kitchen and dining room facilities
- The installation of new boilers
- Further investment in IT infrastructure

### Revenue income & expenditure

Stephenson MAT is committed to setting a balanced budget each year. Our current cash position budget projection is forecasting an in-year and cumulative surplus for the next 3 x years, with our 5 x year projection also noting a cumulative surplus for each year.

This projection indicates a sustained positive position, which has been achieved through, amongst other things:

- The implementation of a robust savings and income generation plan spanning the previous 6 x years.
- Prudent financial planning, both short and long term, including the embedding of integrated curriculum financial planning.
- Comprehensive and regular reviewing of management accounts, budget projections and associated commentary by the CFO, Accounting Officer and Trustees in order to inform future decision-making.
- Accurate pre-empting, thanks to good networking, of revenue fluctuations such as changes to government funding levels and key expenditure areas such as energy costs.
- The collaborative working with a key partner, Fowler Education Football Academy (who are a subcontractor to Rainhill Sixth) that allows us to offer new courses and opportunities to our Sixth Form students; this has led to an increase of approximately 100 students.

Moving forward, the Trust is very aware of the continued need to be sustainable and therefore the Trust will continue to employ integrated curriculum financial planning and use a variety of benchmarking data, in addition to information from its risk register, to highlight potential areas of concern and opportunity so that these can be addressed/capitalized on to ensure a balanced budget continues to be set and that a fit for purpose curriculum, which is properly resourced (including staff) and sustainable, is achieved for the benefit of the students the school serves.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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Stephenson MAT is fortunate to have a skilled and experienced finance team, the Chief Operating Officer is a specialist leader of education for business and finance, the Chair of the Liverpool City Region Academies Group, a member of the User Group for the DfE's Schools Commercial Team and a member of the DfE's Schools Commercial Programme Board. The Academy Business Manager is AAT qualified and working towards completion of CIMA with both the Finance and Finance and Payroll Assistants currently undertaking their AAT qualification.

The Board of Trustees is also skilled, all of whom having financial, budgetary and management experience; it is recognized however, through the Skills Audit, that an additional Trustee is needed who has an accounting qualification such as CIMA.

The experience of both the finance team and Trustees allows them to fully utilise all of the information available before making informed decisions, based on knowledge and experience, about key strategies to implement in order to attain and maintain long-term financial health whilst simultaneously ensuring the best possible provision for the students the school serves.

### **MAT development**

Stephenson MAT is seeking suitable partners, via schools formally becoming part of the MAT or agreeing formal partnerships with the MAT, in order to be able to expand the Trust to allow more young people to benefit from a quality education that is built on a foundation of highly principled educational values and sound financial management. Building on the success of its partnership with the Fowler Education Football Academy, Stephenson MAT would expect to have at least one additional partner by 31 August 2023.

MAT growth, through other schools formally joining or collaborating with the Trust, will almost certainly positively affect the projection as economies of scale can be achieved, as can the rationalisation of staff structures that offer key support services such as Finance, HR and IT.

Stephenson MAT is currently updating its Trust Development Plan to recognize its expansion ambitions whilst acknowledging the work to be done at Rainhill High School; this plan is, and will continue to be, regularly reviewed by the Board of Trustees to ensure its ongoing appropriateness.

### **Academic objectives**

After ten years of being a 'good' school, the academy has undergone two significant changes recently. The change in headship in May 2019 was followed by an Ofsted inspection that did not go as well as we would have wished.

This strategic improvement plan is designed to address issues from the Ofsted inspection, build upon the significant developments of 2020-21, address the legacy of a COVID pandemic and from our self-evaluation by driving actions and changes across the academy to ensure that Rainhill High School quickly regains recognition as a good and improving school. There is no room for complacency, as we must plan towards our next Ofsted visit taking place at any time from September 2022.

There are five strands to the plan, each led by members of the senior team.

#### **A. *Improve the quality of education at Rainhill so that it is judged securely 'good' at the next inspection, by:***

1. Improving the literacy skills of all students, including the quality of spelling, punctuation and grammar of all students as well as the extent to which they read fluently, so that, they are able to access their learning and are well prepared for life beyond the school gates.
2. Ensuring that all subjects deliver the full content and breadth of the national curriculum at KS3 and that KS4 planning reflects specifications and a knowledge of how students have performed in previous years.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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3. Ensuring that the intent of our curriculum is carefully planned and articulated at subject and cross curricular level, taking account of the specific needs of our students, and builds upon the sound principles of cognitive science and best practice in subject teaching expertise.
4. Ensuring that ambitious age-related expectations are defined at KS3 and that classroom practice enables students to demonstrate what they know and remember over time through assessment. In addition, each child's progress is monitored and thoroughly evaluated and where necessary leads to changes in the planned curriculum to ensure good outcomes.
5. Deploying highly effective QA systems that lead to timely change and improved outcomes for all, lifting any underperformance in a subject area to be above national average and in line with the academy's best.
6. Ensuring that the performance of all students, including those with special educational needs or disabilities, the disadvantaged, those in public care and across the curriculum is strong and above national average.

### ***B. Improve the quality of education at Rainhill post COVID***

In addition to the quality first teaching in each classroom by:

1. Deploying one-to-one and small groups tuition where knowledge and skills deficits have been identified.
2. Refining the planned curriculum where 'threshold' concepts are absent or weak as identified in baseline testing.
3. Developing an induction programme for Y7 and Y12 that reflects students' time away from school and the impact on their learning, socialisation and personal development.
4. Deploying GL standardised tests to triangulate the progress of students at Rainhill against others nationally.

### ***C. Improve the behaviour and attitudes of all pupils by:***

1. Ensuring that expectations and routines in school are explicitly defined, taught and reinforced throughout the school so that all children feel safe and learning is not interrupted.
2. Improve the attendance of all pupils who currently have attendance below the academy's average, particularly those with special educational needs or disabilities, the disadvantaged and those in public care.

### ***D. Build upon the currently excellent opportunities that the academy offers for personal development and leadership by:***

1. Improving participation in enrichment activities from currently under-represented groups such as those with special educational needs and/or disabilities, by ensuring that activities are appropriately accessible and that pupils are suitably supported.
2. Developing work-based links and partnerships to support the curriculum and apprenticeships.
3. Implementing a coherent and effective student leadership programme, including student voice activities across the school to significant effect.

### ***E. Improve the quality and impact of leadership at the academy by:***

1. Developing senior leadership, including sixth form leadership to enable focussed, rapid improvement in line with the SDP priorities.
2. Developing middle leadership to strengthen the ambition, implementation and impact of the curriculum for all students.
3. Supporting all staff, post COVID to manage the demands of recovery on their workload and well-being.
4. Ensure governors systematically challenge senior leaders so that effective deployment of staff and resources, including SEN and DIS secures excellent achievement and outcomes for all.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

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### **F: Improve the quality of sixth-form provision at Rainhill by:**

1. Ensuring that all subjects plan and deliver an ambitious and broad KS5 curriculum based on published specifications, ambitious destinations and the performance of students in previous years.
2. Implementing a 'blended learning' provision across RH6, leading to highly effective independent study, increased confidence and preparation for life post 18.
3. Developing training and professional development opportunities specifically for those involved in teaching post-16 learners, to ensure the very best practice for this age-group

A full overview of the academic objectives of the Trust, together with an explanation of required resources, criteria for success and person(s) responsible can be found in the Schools Development Plan, which is regularly reviewed, and reported on, by senior leaders at the school to the Local Governing Body and Board of Trustees at meetings.

### **Trustees' statements on disclosure of information to the auditors**

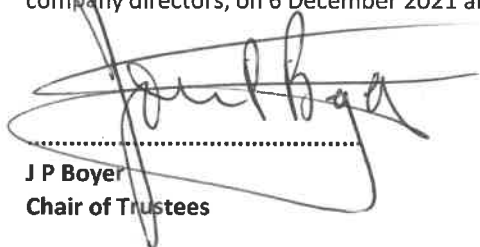
Insofar as the trustees are aware:

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


### **Auditor**

The auditor is willing to continue in office and a resolution to appoint Mitchell Charlesworth LLP will be proposed at the annual general meeting.

The Trustees' Report incorporating a Strategic Report was approved by order of the Board of Trustees, as the company directors, on 6 December 2021 and signed on its behalf by:



J P Boyer  
Chair of Trustees



R Owens  
Accounting Officer

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

### Scope of responsibility

As Trustees, we acknowledge that we have overall responsibility for ensuring that Stephenson Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. 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.

The Board of Trustees has delegated the day-to-day responsibility to the Accounting Officer (Chief Operating Officer) and Chief Finance 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 Stephenson Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board of Trustees has formally met six times during the year (two of which have been EGMs). Attendance during the year at meetings of the Board of Trustees was as follows:

A = Apologies      ✕ = absent      ✓ = present

Name of Trustee	26.11.20 (Virtual)	10.12.20 (AGM) (Virtual)	18.02.21 (EGM) (Virtual)	18.03.21 (EGM) (Virtual)	22.04.21 (Virtual)	14.07.21 (Virtual)	Total
Mr John Boyer ( <i>Chair &amp; Member from 03/02/21</i> )	✓	A	✓	✓	✓	✓	5/6
Mr David Boyer	✓	✓	✓	✓	✓	✓	6/6
Ms Lisa Flaherty ( <i>Chair &amp; Member until 31/01/21</i> )	✓	✓					2/2
Mrs Maureen Mellor	✓	✓					2/2
Mrs Michaela Peers-Zilkova	A	A					0/2
Mr Mark Sanderson	✓	✓	✓	✓	✓	A	5/6
Prof Michael Thomas						A	0/1
Mrs Colette Hunt						✓	1/1
Mr Wesley Richardson						✓	1/1
<b>Members</b>							
Mrs Maureen Mellor ( <i>Member</i> )		✓		✓			2/2
Mr Andrew Powlesland ( <i>Member</i> )		A					0/1
Mr Steve Anderson ( <i>Member</i> )		✓		✓			2/2
Mr Gary Charlton ( <i>Member</i> )		✓		✓			2/2
<b>Trustee Attendance (percentage)</b>							<b>81.5%</b>

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

<b>Members Attendance (percentage)</b>	<b>85.7%</b>
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### Trustees – Finance, Audit & Risk Committee

This is a Sub-Committee of the Trustee Board. The Finance, Audit & Risk Committee is responsible to the Board of Trustees and therefore does not have an executive role. The main responsibilities and issues dealt with during the period were as follows:

- The initial review and authorisation of the annual budget;
- The regular monitoring of management accounts;
- The regular monitoring of budget projections and associated reporting, including actual vs predicated expenditure and income;
- Reviewing of benchmarking reports and School Resource Management Checklist and resulting proposed action to ensure the Trust is securing best value in all of its expenditure areas within the context and constraints in which it operates;
- Reviewing of Pupil Premium and COVID catch-up related expenditure to ensure it is compliant and has the desired impact, which is also reported on to the full Governing Body.
- Ensuring the annual financial statements are produced in accordance with the requirements of the Companies Act 2006, the Charities SORP, the Academies Accounts Direction and other guidance issued by the ESFA;
- Ensuring that all of the financial returns required by the ESFA are correctly prepared and submitted on time;
- Capital project monitoring, procurement and reporting;
- Authorising changes to the Academy's personnel establishment;
- Reviewing the reports of the Auditor on the effectiveness of the financial procedures and internal controls, which are also reported on to the full Governing Body.
- Reviewing the Risk Register and challenging whether the necessary controls are in place to mitigate the stated risks.

The Finance & Audit Committee has formally met three times during the year. Attendance during the year at meetings of the Finance & Audit Committee was as follows:

A = Apologies      ✕ = absent      ✓ = present

Name of Trustee	26.11.20 (Virtual)	24.04.21 (Virtual)	14.07.21 (Virtual)	Total
Mr David Boyer (Chair)	✓	✓	✓	3/3
Mr John Boyer	✓	✓	✓	3/3
Mrs Lisa Flaherty	✓			1/1
Mrs Michaela Peers Zilkova (Vice)	A			0/1
Mr Rob Owens (Accounting Officer)	✓	✓	✓	3/3
Mrs Josie Thorogood (Co-Opted as Headteacher)	✓	✓	✓	3/3
<b>Trustee Attendance (percentage)</b>				<b>92.9%</b>

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

### Staffing and Pay Committee

The Staffing Committee are responsible for, on behalf of the Board of Trustees, undertaking the following functions. In the case of any policy, pay, or disciplinary decisions recommendations must be made, where applicable, to the Board of Trustees for ratification:

- To receive, annually, the staff development need analysis and ensure effective staff development takes place;
- To ensure that all of the required personnel policies are in place and that they are legally compliant;
- To receive, annually, pay progression recommendations (and supporting evidence) for teaching staff on main scale, upper and Leadership pay ranges and endorse them, or otherwise, to the Board of Trustees for approval;
- To make appropriate comments and recommendations on staffing and pay related matters to the Trust Board as required;
- To review, annually, any additional payments including TLR, allowances and retention payments;
- To ensure that appropriate monitoring of teaching and non-teaching staff is undertaken to ensure the required standards are attained and, if not, remedial action is put in place;
- To undertake the Headteachers and Chief Operating Officers appraisals and make any required recommendations to the Board of Trustees;
- To undertake casework as required, including but not limited to: pay appeals, capability, medical incapacity and disciplinary processes.;
- To review, annually, whether the deployment of staff meets the needs of the school;
- To advise the Board of Trustees on staffing and pay related issues;
- To advise the Board of Trustees on staffing and pay related issues.

The Staffing & Pay Committee has formally met once during the year. Attendance during the year at meetings of the Staffing & Pay Committee was as follows:

A = Apologies T = Telephone x = absent ✓ = present

Name Of Trustee	19.11.20	22.04.21	Total
Lisa Flaherty	✓		1/1
John Boyer	✓	✓	2/2
David Boyer (Vice)	✓	✓	2/2
Mrs Maureen Mellor	✓		1/1
Mr Mark Sanderson (Chair)	✓	✓	2/2
Mr Rob Owens (Accounting Officer)	✓	✓	2/2
Mrs Josie Thorogood (Co-Opted as Headteacher)	✓	✓	2/2
<b>Trustee Attendance (percentage)</b>			<b>100%</b>



# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

### Local Governing Body

The Local Governing Body has formally met six times during the year. Attendance during the year at meetings of the Local Governing Body was as follows:

A = Apologies      \* = absent      ✓ = present

Name of Governor	6/10/20	11/11/20	18/01/21	23/03/21	13/05/21	07/07/21	Total
Mr Anthony Bennett	✓	✓	✓	✓	A	✓	5/6
Mr David Boyer (Vice)	✓	✓	✓	✓	✓	✓	6/6
Mrs Jennifer Critchley	✓	✓	A	✓	✓	*	4/6
Mrs Carol Gordon	*	✓	*	*			1/4
Mr Aaron Kehoe	✓	✓	*	✓	A	✓	4/6
Mr Barry Makepeace	*	*	*	✓	A	✓	2/6
Mrs Lisa Roxby	✓	✓	A				2/3
Mrs Janet Smith	✓	✓	*	✓	✓	✓	5/6
Mrs Sophie Sudworth	✓	✓	✓	✓	✓	A	5/6
Miss Jenni Worthington	*	*	✓	A	✓	*	2/6
Mrs Sylvia Thomson (Chair)	✓	✓	✓	✓	✓	✓	6/6
Mrs J Thorogood (Co-Opted)	✓	✓	✓	✓	✓	✓	6/6
Mr Karl Murphy					✓	✓	2/2
Mr Barry Wheller					✓	A	1/2
Ms Nikki Burton-Mallott					✓	A	1/2
Ms Samantha Hampson					✓	A	1/2
Ms Tracey Carter					✓	✓	2/2
<b>Governor Attendance (percentage)</b>							<b>71.4%</b>

Governor attendance was reviewed by the Chair of Governors and Trustees and, given the contextual circumstances for their absences, it was decided that it was appropriate for the highlighted Governors to continue in office.

# STEPHENSON MULTI ACADEMY TRUST

## Trustees' Report

Year ended 31 August 2021

### Resignations and Appointments

The tables below document the appointments and resignations of Governors, Trustees and Members throughout the year 2020/21.

Name of Member/Trustee/Governor	Category	Appointed by	Appointment/Resignation Date	Term
<b>Appointments</b>				
Maureen Mellor	Member	Members	10/12/2020	3 Years
Colette Hunt	Trustee	Members	17/05/2021	3 Years
Wesley Richardson	Trustee	Members	17/05/2021	3 Years
Michael Thomas	Trustee	Members	17/05/2021	3 Years
Tracey Carter	Community Governor	Trustees	18/03/2021	4 Years
Samantha Hampson	Community Governor	Trustees	18/03/2021	4 Years
Karl Murphy	Community Governor	Trustees	18/03/2021	4 Years
Barry Wheller	Community Governor	Trustees	18/03/2021	4 Years
Nikki Burton-Mallott	Community Governor	Trustees	18/03/2021	4 Years
<b>Resignations</b>				
Lisa Roxby	Community Governor	N/A	03/03/2021	
Carol Gordon	Community Governor	N/A	05/05/2021	
Sylvia Thomson	Community Governor	N/A	31/08/2021	
Michaela Peers Zilkova	Trustee	N/A	01/11/2020	
Lisa Flaherty	Trustee	N/A	31/01/2021	
Andrew Powlesland	Member	N/A	12/01/2021	
Mark Sanderson	Trustee	N/A	16/07/2021	
Maureen Mellor*	Trustee	N/A	10/12/2020	

\* resigned as a Trustee but remains as a Member of the Trust

### Review of value for money

The Accounting Officer and Chief Financial Officer have a responsibility to ensure the Trust delivers good value in the use of public resource and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer and Chief Financial Officer consider how the MAT's use of its resources has provided good value for money during each academic year and reports to the Board of Trustees whether this has been achieved in addition to citing where value for money can be improved, including the use of benchmarking data where available.

# STEPHENSON MULTI ACADEMY TRUST

## Governance Statement

Year ended 31 August 2021

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The Accounting Officer and Chief Financial Officer for the academy trust have delivered improved value for money during the year by:

1. Ensuring that a strategic and long-term approach was employed to financial management in the school.
2. Ensuring that key financial spending was linked to the School Development Plan.
3. Ensuring an integrated curriculum financial planning approach was adopted.
4. Ensuring comprehensive and robust Financial Regulations and Policies (including anti-fraud, charging, gifts and hospitality, investment, bursary) were in place and operated in accordance with.
5. Implementing robust procurement procedures.
6. Employing comprehensive quote request and tendering processes.
7. Undertaking thorough reviews of expenditure and income to identify savings and other income streams.
8. Using benchmarking reports to make meaningful comparisons and highlight areas of savings than can be explored in addition to opportunities to generate additional income.
9. Ensuring that capital spend is appropriate, proactive and part of a comprehensive expenditure plan.
10. Ensuring that 'risks' highlighted within the Risk Register were mitigated through proactive steps.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all, risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stephenson Multi Academy Trust for the year 1 September 2020 to 31 August 2021 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 year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Finance, Audit & Risk Committee and Board of Trustees.

### The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports (such as management accounts and budget forecasts), which are reviewed and agreed by the Finance, Audit & Risk Committee and Board of Trustees;
- regular reviews by the Link Trustee for Finance, and the Finance and Audit Committee, of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes, such as: management accounts, income and expenditure statements, bank reconciliations and budget forecast reports;
- setting targets to measure financial and other performance;
- clearly defined purchasing guidelines (Financial Regulations and Tender and Procurement policies);
- delegation of authority and segregation of duties;
- identification and management of risks through the risk register;
- benchmarking, through the DfE Self-Assessment exercise, DfE benchmarking data and local benchmarking data to measure whether key income and expenditure is comparable to statistically similar schools.

# STEPHENSON MULTI ACADEMY TRUST

## Governance Statement

Year ended 31 August 2021

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The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The trustees have, instead, appointed Mitchell Charlesworth, the external auditor, to perform the annual audit (November) each year; in addition to two further checks, as the 'Responsible Officer', (one in February and one in May) will be undertaken by Langtons auditors, in line with the segregation of auditing responsibilities as outlined in the Academies Financial Handbook.

The external auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

The Trustees are delighted that the auditors have given Stephenson MAT another clean audit report, including a clean report on regularity. This, The Board of Trustees feels, reflects the hard work and competence of the finance team.

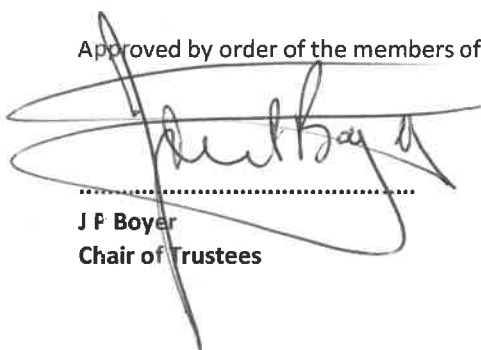
### Review of effectiveness

The Accounting Officer and Chief Financial Officer have 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 Academy Business Manager;
- The work of the Finance and Finance and Payroll Assistant;
- The work of the external auditor;
- The work of the Responsible Officer;
- The financial management and governance self-assessment process;
- The work of the senior leaders within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer and Chief Financial Officer have been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on its behalf by:



.....

**J P Boyer**  
Chair of Trustees



.....

**R Owens**  
Accounting Officer

# STEPHENSON MULTI ACADEMY TRUST

## Statement of Regularity, Propriety and Compliance

Year ended 31 August 2021

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As Accounting Officer of Stephenson Multi Academy Trust, I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Board of Trustees are not able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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

### Exceptional disclosures

#### COVID

The Academy has incurred additional costs (most notably cleaning, additional curriculum and IT related costs) during the COVID Pandemic and has consequently met the qualifying criteria for financial support for exceptional costs from the Government. In addition, the academy has furloughed one member of staff whose sole role was the management of the community use programme.

The Academy has also participated in the national free school meals voucher scheme, acting as a facilitator for the distribution of vouchers from the scheme provider to parents of eligible pupils. The Academy has not incurred any exceptional costs or received any additional funding in respect of this scheme.

We have disclosed the funding received, and for which we are eligible but have not yet received, within the financial statements below.



R Owens  
Accounting Officer

6 December 2021

# STEPHENSON MULTI ACADEMY TRUST

## Statement of Trustees' Responsibilities

Year ended 31 August 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 year. In preparing these financial statements, the Trustees are required to:

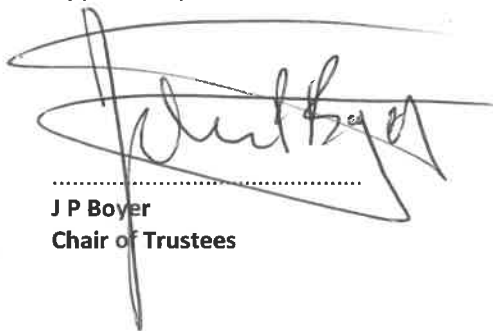
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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 6 December 2021 and signed on its behalf by:



.....  
**J P Boyer**  
**Chair of Trustees**

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

## Independent Auditor's Report to the members of Stephenson Multi Academy Trust For the year ended 31 August 2021

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### Opinion

We have audited the financial statements of Stephenson Multi Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Financial statements Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent academy trust's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the
- 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 the Academies Financial Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The trustees are responsible for the other information, which 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.

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.

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

## Independent Auditor's Report to the members of Stephenson Multi Academy Trust For the year ended 31 August 2021 (continued)

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### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, 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.

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.



# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

## Independent Auditor's Report to the members of Stephenson Multi Academy Trust For the year ended 31 August 2021 (continued)

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### Extent to which the audit was considered capable of detecting, irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the school's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the board of governors of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the school's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- (i) The presentation of the school's Statement of Financial Activities, (ii) the academy's accounting policy for revenue recognition
- (iii) the overstatement of salary and other costs (iv) the assumptions used in the calculation of the valuation of the surplus or deficit on the defined benefit pension scheme and the movements for the year. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body, along with the Academies Financial Handbook and Financial statements Direction 2020-21 issued by the Education and Skills Funding Agency.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty. This includes regulations concerning Data Protection and Safeguarding.

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

## Independent Auditor's Report to the members of Stephenson Multi Academy Trust For the year ended 31 August 2021 (continued)

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### Audit response to risks identified

As a result of performing the above, we identified the presentation of the academy's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the board concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;

in addressing the risk of fraud through management override of controls we carried out testing of the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates were indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

### Use of our report

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



Philip Griffiths (Senior Statutory Auditor)

for and on behalf of Mitchell Charlesworth LLP

9 December 2021

Chartered Accountants

Statutory Auditor

3rd Floor  
5 Temple Square  
Temple Street  
Liverpool  
Merseyside L2 5RH

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

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

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In accordance with the terms of our engagement letter dated 8 August 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stephenson Multi Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Stephenson Multi Academy Trust's funding agreement with the Secretary of State for Education dated 27 February 2017 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by 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:

- Reviewing the activities to ensure they are in keeping with the charitable objectives and framework.
- Reviewing declarations of interest and seeking further representations.
- Reviewing the control environment and considering potential weaknesses.
- Reviewing minutes of various committees, management accounts and holding discussions with key personnel.

# Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

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

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### **Conclusion**

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

5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

9 December 2021



MITCHELL CHARLESWORTH LLP  
Reporting Accountant  
Chartered Accountants

# STEPHENSON MULTI ACADEMY TRUST

## Consolidated Statement of Financial Activities (including Income and Expenditure Account) Year ended 31 August 2021

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Year ended 31 August 2021 £	Year ended 31 August 2020 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	44,192	-	34,395	78,587	319,479
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	-	9,809,952	-	9,809,952	8,965,088
Other trading activities	4	528,045	-	-	528,045	204,182
Investments	5	14	-	-	14	112
Other	6	-	112,110	-	112,110	-
<b>Total</b>		<b>572,251</b>	<b>9,922,062</b>	<b>34,395</b>	<b>10,528,708</b>	<b>9,488,861</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust's educational operations	7	378,947	9,701,298	427,258	10,507,503	9,614,747
<b>Total</b>	<b>8</b>	<b>378,947</b>	<b>9,701,298</b>	<b>427,258</b>	<b>10,507,503</b>	<b>9,614,747</b>
<b>Net income/(expenditure)</b>		<b>193,304</b>	<b>220,764</b>	<b>(392,863)</b>	<b>21,205</b>	<b>(125,886)</b>
Transfers between funds		(7,225)	(398,818)	406,043	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension scheme	24	-	(492,000)	-	(492,000)	(319,000)
<b>Net movement in funds</b>		<b>186,079</b>	<b>(670,054)</b>	<b>13,180</b>	<b>(470,795)</b>	<b>(444,886)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,560,684	(3,681,000)	20,603,662	18,483,346	18,928,232
Total funds carried forward		1,746,763	(4,351,054)	20,616,842	18,012,551	18,483,346

# STEPHENSON MULTI ACADEMY TRUST

## Consolidated Statement of Financial Activities (including Income and Expenditure Account) Year ended 31 August 2021

### Comparative information for the year ended 31st August 2020

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Year ended 31 August 2020 £	Year ended 31 August 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	202,285	-	117,194	319,479	646,996
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	-	8,965,088	-	8,965,088	7,931,132
Other trading activities	4	204,182	-	-	204,182	314,278
Investments	5	112	-	-	112	67
<b>Total</b>		<b>406,579</b>	<b>8,965,088</b>	<b>117,194</b>	<b>9,488,861</b>	<b>8,892,473</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust's educational operations	7	121,393	9,068,139	425,215	9,614,747	8,715,408
<b>Total</b>	8	<b>121,393</b>	<b>9,068,139</b>	<b>425,215</b>	<b>9,614,747</b>	<b>8,715,408</b>
<b>Net income/(expenditure)</b>		<b>285,186</b>	<b>(103,051)</b>	<b>(308,021)</b>	<b>(125,886)</b>	<b>177,065</b>
Transfers between funds		-	(139,949)	139,949	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension scheme	26	-	(319,000)	-	(319,000)	(786,000)
<b>Net movement in funds</b>		<b>285,186</b>	<b>(562,000)</b>	<b>(168,072)</b>	<b>(444,886)</b>	<b>(608,935)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,275,498	(3,119,000)	20,771,734	18,928,232	19,537,167
Total funds carried forward		1,560,684	(3,681,000)	20,603,662	18,483,346	18,928,232

# STEPHENSON MULTI ACADEMY TRUST

## Balance Sheets

As at 31 August 2021

	Note	Group 2021 £	Academy Trust 2021 £	Group 2020 £	Academy Trust 2020 £
<b>Fixed assets</b>					
Tangible assets	12	20,616,842	20,616,842	20,603,662	20,603,662
<b>Current assets</b>					
Debtors	13	531,624	632,330	406,602	545,135
Cash at bank and in hand		2,196,664	2,095,789	1,720,740	1,580,417
		2,728,288	2,728,119	2,127,342	2,125,552
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(896,580)	(896,580)	(549,659)	(549,659)
<b>Net current assets</b>		1,831,708	1,831,539	1,577,683	1,575,893
Total assets less current liabilities		22,448,550	22,448,381	22,181,345	22,179,555
Creditors: Amounts falling due after one year	15	(16,999)	(16,999)	(16,999)	(16,999)
<b>Net assets excluding pension liability</b>		22,431,551	22,431,382	22,164,346	22,162,556
Defined benefit pension scheme liability	24	(4,419,000)	(4,419,000)	(3,681,000)	(3,681,000)
<b>Total net assets</b>		18,012,551	18,012,382	18,483,346	18,481,556
<b>Funds of the academy</b>					
<b>Restricted funds</b>					
Fixed asset fund		20,616,842	20,616,842	20,603,662	20,603,662
Restricted income fund		67,946	67,946	-	-
Pension reserve		(4,419,000)	(4,419,000)	(3,681,000)	(3,681,000)
<b>Total restricted funds</b>	16	16,265,788	16,265,788	16,922,662	16,922,662
<b>Unrestricted income funds</b>	16	1,746,763	1,746,594	1,560,684	1,558,894
<b>Total funds</b>	17	18,012,551	18,012,382	18,483,346	18,481,556

The financial statements on pages 35 to 59 were approved by the Trustees, and authorised for issue on 6 December 2021 and signed on their behalf by:

J P Boyer  
Chair of Trustees

Company Limited by Guarantee  
Registration Number: 10564255

# STEPHENSON MULTI ACADEMY TRUST

## Statement of Cash Flows

Year ended 31 August 2021

		Year ended 31 August 2021 £	Year ended 31 August 2020 £
<b>Cash flows from operating activities</b>	<b>Note</b>		
Net cash provided by (used in) operating activities	19	880,954	(628,680)
<b>Cash flows from investing activities</b>	20	(405,030)	(159,886)
<b>Cash flows from financing activities</b>	21	-	-
<b>Change in cash and cash equivalents in the reporting year</b>		475,924	(788,566)
<b>Cash and cash equivalents at 1 September 2020</b>		1,720,740	2,509,306
<b>Cash and cash equivalent at 31 August 2021</b>	22	2,196,664	1,720,740



# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements

Year ended 31 August 2021

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### 1. Statement of accounting policies

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

#### **Basis of preparation**

The financial statements of 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), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

#### **Consolidation**

The financial statements include the assets and liabilities, and income and expenditure of Rainhill Arts College CIC as set out in note 26 on the basis that all of the directors of that company are trustees or members of the Senior Management Team of the academy trust.

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent undertaking is not presented as part of these financial statements. The consolidated Statement of Financial Activities includes a surplus of £22,826 (2020: deficit £177,388) which is dealt with in the financial statements of Stephenson Multi Academy Trust.

#### **Going concern**

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

#### **Income**

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

- **Grants**

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

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

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

- **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.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 1. Statement of Accounting Policies (continued)

- **Other income**

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

- **Donated goods, facilities and services**

The value of donated goods, facilities and services provided to the academy trust are recognised at their fair value in the year in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind is a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

- **Transfer on conversion**

Where assets are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

#### **Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

#### **Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. 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 life, as follows:-

Buildings	2% straight line
Furniture and equipment	20% straight line
Computer equipment and software	33% straight line
Motor vehicles	20% straight line

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

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### 1. Statement of Accounting Policies (continued)

#### Tangible fixed assets (continued)

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

#### Liabilities

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

#### Financial instruments

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments and recoverable VAT is not included in the financial instruments disclosure definition.

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 14. 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.

#### 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.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

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### 1. Statement of Accounting Policies (*continued*)

#### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 24, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the year to which they relate.

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

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 and the Department for Education.

#### **Critical accounting estimates and areas of judgement**

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

#### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

2. Donations and capital grants	Unrestricted funds	Restricted income funds	Restricted fixed asset funds	Year ended 31 August 2021	Year ended 31 August 2020
	£	£	£	£	£
Capital grants	-	-	34,395	34,395	117,194
Other donations	44,192	-	-	44,192	202,285
	44,192	-	34,395	78,587	319,479
3. Funding for the academy trust's educational operations	Unrestricted funds	Restricted income funds	Restricted fixed asset funds	Year ended 31 August 2021	Year ended 31 August 2020
	£	£	£	£	£
<b>DfE/ESFA grants</b>					
General Annual Grant (GAG)	-	8,502,417	-	8,502,417	7,777,747
Pupil premium	-	287,317	-	287,317	282,511
Other DfE Group grants	-	507,301	-	507,301	488,211
	-	9,297,035	-	9,297,035	8,548,469
<b>Other Government grants</b>					
Local authority grants	-	188,356	-	188,356	149,585
	-	188,356	-	188,356	149,585
<b>Covid-19 additional funding (DfE/ESFA)</b>					
Catch-up premium	-	134,077	-	134,077	-
Other DfE/ESFA Covid-19 funding	-	72,410	-	72,410	11,034
	-	206,487	-	206,487	11,034
<b>Other income from academy trust's educational operations</b>					
	-	118,074	-	118,074	256,000
	-	9,809,952	-	9,809,952	8,965,088

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Covid-19 additional funding" and covers additional cleaning as well as PPE and technology costs. These costs are included in notes 7 and 8 below.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

4. Other trading activities	Unrestricted funds £	Restricted income funds £	Restricted fixed asset funds £	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Hire of facilities	46,056	-	-	46,056	64,900
Uniforms	7,084	-	-	7,084	24,995
Catering	292,153	-	-	292,153	13,215
Other income	182,752	-	-	182,752	101,072
	528,045	-	-	528,045	204,182
5. Investment income	Unrestricted funds £	Restricted income funds £	Restricted fixed asset funds £	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Short term deposits	14	-	-	14	112
6. Other income	Unrestricted funds £	Restricted income funds £	Restricted fixed asset funds £	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Insurance claim	-	112,110	-	112,110	-
7. Expenditure	Staff Costs £	Non pay expenditure Premises £	Other £	Year ended 31 August 2021 Total £	Year ended 31 August 2020 Total £
Academy's educational operations:-					
Direct costs	6,117,726	-	1,199,297	7,317,023	6,851,116
Allocated support costs	1,345,790	579,443	1,265,247	3,190,480	2,763,631
	7,463,516	579,443	2,464,544	10,507,503	9,614,747
Net income/expenditure for the year includes:-				Year ended 31 August 2021 Total £	Year ended 31 August 2020 Total £
Operating lease rentals				51,502	-
Depreciation				427,258	425,215
Fees payable to auditor for				8,500	8,275
- Audit					
- Other services				3,787	9,336

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

8. Charitable activities	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Direct costs - educational operations	7,317,023	6,851,116
Support costs - educational operations	3,190,480	2,763,631
	<u>10,507,503</u>	<u>9,614,747</u>
<b>Analysis of support costs</b>	<b>Year ended 31 August 2021 £</b>	<b>Year ended 31 August 2020 £</b>
Support staff costs	1,345,790	1,478,339
Technology costs	251,716	126,712
Premises costs	579,443	484,737
Depreciation	427,258	425,215
Other support costs	159,930	222,401
Legal costs	60,109	8,616
Governance costs	12,287	17,611
Catering	353,947	-
Total support costs	<u>3,190,480</u>	<u>2,763,631</u>
<b>9. Staff</b>	<b>Year ended 31 August 2021 £</b>	<b>Year ended 31 August 2020 £</b>
<b>a. Staff costs</b>		
Staff costs during the year were:-		
Wages and salaries	5,229,743	4,910,490
Social security costs	495,367	454,326
Pension costs	1,353,316	1,276,316
Apprenticeship levy	11,029	9,485
	<u>7,089,455</u>	<u>6,650,617</u>
Supply staff costs	309,627	249,037
Staff restructuring costs	-	28,515
Staff development and other	434	20,303
Net interest on defined benefit pension scheme	64,000	54,000
	<u>7,463,516</u>	<u>7,002,472</u>

Staff restructuring costs in the previous year comprise redundancy payments.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 9. Staff (continued)

#### b. Staff numbers

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

	Year ended 31 August 2021 No	Year ended 31 August 2020 No
<b>Charitable activities</b>		
Teachers	86	89
Administration and support	48	45
Management	8	8
	<u>142</u>	<u>142</u>

#### c. Higher paid staff

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

	Year ended 31 August 2021 No	Year ended 31 August 2020 No
£60,001 - £70,000	1	1
£70,001 - £80,000	3	4
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1

Four of the above employees participated in the Teachers' Pension Scheme, one is in the Local Government Pension Scheme and one has opted out. During the year ended 31 August 2021, pension contributions for the above amounted to £114,353 (2020 £84,919).

#### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £238,227 (2020 £212,782).

### 10. Related party transactions - trustees' remuneration and expenses

During the year ended 31 August 2021 no remuneration or expenses were reimbursed or paid directly to the trustees (2020 £Nil).

Other related party transactions involving the trustees are set out in note 27.



# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 11. Trustees' and officers' insurance

In accordance with normal commercial practice the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2021 is included in the total cost of the Department of Education Risk Protection Arrangement Membership and is not made separately available to the academy trust.

### 12. Tangible fixed assets

#### Group and Academy Trust

	Long leasehold land and buildings £	Computer equipment £	Furniture and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 31 August 2020	21,228,832	135,950	754,574	9,800	22,129,156
Additions	380,095	49,601	33,671	-	463,367
Disposals	-	-	(38,215)	-	(38,215)
<b>At 31 August 2021</b>	<b>21,608,927</b>	<b>185,551</b>	<b>750,030</b>	<b>9,800</b>	<b>22,554,308</b>
<b>Depreciation</b>					
At 31 August 2020	922,451	91,885	505,851	5,307	1,525,494
Charged in year	235,079	40,213	150,006	1,960	427,258
Released on disposals	-	-	(15,286)	-	(15,286)
<b>At 31 August 2021</b>	<b>1,157,530</b>	<b>132,098</b>	<b>640,571</b>	<b>7,267</b>	<b>1,937,466</b>
<b>Net book value</b>					
<b>At 31 August 2021</b>	<b>20,451,397</b>	<b>53,453</b>	<b>109,459</b>	<b>2,533</b>	<b>20,616,842</b>
<b>At 31 August 2020</b>	<b>20,306,381</b>	<b>44,065</b>	<b>248,723</b>	<b>4,493</b>	<b>20,603,662</b>

In respect of land and buildings transferred upon conversion to the academy trust from the LEA, a valuation was provided at 1 March 2017 of £20,602,954 (Land £9,855,000 and buildings £10,747,954).

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

13. Debtors	Group 2021 £	Academy Trust 2021 £	Group 2020 £	Academy Trust 2020 £
Trade debtors	56,189	56,189	33,924	10,054
VAT recoverable	177,565	177,565	153,657	153,657
Amounts due from subsidiary	-	100,706	-	162,403
Prepayments and accrued income	297,870	297,870	219,021	219,021
	<u>531,624</u>	<u>632,330</u>	<u>406,602</u>	<u>545,135</u>

14. Creditors: Amounts falling due within one year	Group 2021 £	Academy Trust 2021 £	Group 2020 £	Academy Trust 2020 £
Trade creditors	442,992	442,992	250,644	250,644
Other taxes and social security	131,554	131,554	121,428	121,428
Other creditors	109,281	109,281	24,755	24,755
Accruals and deferred income	212,753	212,753	152,832	152,832
	<u>896,580</u>	<u>896,580</u>	<u>549,659</u>	<u>549,659</u>

Deferred income	Group 2021 £	Academy Trust 2021 £	Group 2020 £	Academy Trust 2020 £
Deferred income at 1 September 2020	52,155	52,155	133,534	133,534
Released from previous years	(52,155)	(52,155)	(133,534)	(133,534)
Resources deferred in the year	40,335	40,335	52,155	52,155
	<u>40,335</u>	<u>40,335</u>	<u>52,155</u>	<u>52,155</u>
Deferred income at 31 August 2021	40,335	40,335	52,155	52,155

The deferred income balance comprises £20,026 paid in advance for 2021/22 school trips and 2021/22 ESFA rates relief income of £20,309.

15. Creditors: Amounts falling due after more than one year	Group 2021 £	Academy Trust 2021 £	Group 2020 £	Academy Trust 2020 £
Other creditors	16,999	16,999	16,999	16,999
	<u>16,999</u>	<u>16,999</u>	<u>16,999</u>	<u>16,999</u>

Other creditors represents an interest free loan from Salix. The loan is repayable in annual instalments of £1,133.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

16. Funds	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (note i)	-	8,502,417	(8,103,599)	(398,818)	-
Pupil Premium (note i)	-	287,317	(233,777)	-	53,540
Catch-up premium	-	134,077	(134,077)	-	-
Other DfE/ESFA Covid-19 funding	-	72,410	(58,004)	-	14,406
Other DfE Group Grants (note ii)	-	507,301	(507,301)	-	-
Local Authority Grants (note iii)	-	188,356	(188,356)	-	-
Pension Reserve (note iv)	(3,681,000)	-	(246,000)	(492,000)	(4,419,000)
Other	-	230,184	(230,184)	-	-
	(3,681,000)	9,922,062	(9,701,298)	(890,818)	(4,351,054)
<b>Restricted fixed asset funds</b>					
Assets transferred from LEA	20,184,275	-	(352,110)	-	19,832,165
DfE Group capital grants	331,634	34,395	(14,038)	-	351,991
Assets acquired from GAG	87,753	-	(61,110)	406,043	432,686
	20,603,662	34,395	(427,258)	406,043	20,616,842
<b>Total restricted funds</b>	16,922,662	9,956,457	(10,128,556)	(484,775)	16,265,788
Unrestricted	1,247,684	572,251	(378,947)	(54,225)	1,386,763
Designated (note v)	313,000	-	-	47,000	360,000
<b>Total unrestricted funds</b>	1,560,684	572,251	(378,947)	(7,225)	1,746,763
<b>Total funds</b>	18,483,346	10,528,708	(10,507,503)	(492,000)	18,012,551

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 16. Funds (continued)

Academy Trust	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (note i)	-	8,502,417	(8,103,599)	(398,818)	-
Pupil Premium (note i)	-	287,317	(233,777)	-	53,540
Catch-up premium	-	134,077	(134,077)	-	-
Other DfE/ESFA Covid-19 funding	-	72,410	(58,004)	-	14,406
Other DfE Group ESFA Grants (note ii)	-	507,301	(507,01)	-	-
Local Authority Grants (note iii)	-	188,356	(188,356)	-	-
Pension Reserve (note iv)	(3,681,000)	-	(246,000)	(492,000)	(4,419,000)
Other	-	230,184	(230,184)	-	-
	(3,681,000)	9,922,062	(9,701,298)	(890,818)	(4,351,054)
<b>Restricted fixed asset funds</b>					
Assets transferred from LEA	20,184,275	-	(352,110)	-	19,832,165
DfE Group capital grants	331,634	34,395	(14,038)	-	351,991
Assets acquired from GAG	87,753	-	(61,110)	406,043	432,686
	20,603,662	34,395	(427,258)	406,043	20,616,842
<b>Total restricted funds</b>	16,922,662	9,956,457	(10,128,556)	(484,775)	16,265,788
Unrestricted	1,245,894	562,071	(367,146)	(54,225)	1,386,594
Designated (note v)	313,000	-	-	47,000	360,000
<b>Total unrestricted funds</b>	1,558,894	562,071	(367,146)	(7,225)	1,746,594
<b>Total funds</b>	18,481,556	10,518,528	(10,495,702)	(492,000)	18,012,382

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

#### Notes

- (i) General Annual Grant including the Pupil Premium must be used for the normal running costs of the academy trust. There are no limits to the amount of GAG that is permitted to be carried forward from one year to another.
- (ii) ESFA Grants - these have been received for specific purposes, and have all been fully spent in the year.
- (iii) Local Authority Grants consist of support grants received from St Helens Borough Council and have been spent in full.
- (iv) The Pension Reserve represents the pension fund determined in accordance with FRS102 as detailed in note 24.
- (v) This represents monies set aside by the governors to cover "unforeseen circumstances" as well as replacement of the 3G sports pitch.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued) Year ended 31 August 2021

### 16. Funds

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

Group	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (note i)	-	7,777,747	(7,637,798)	(139,949)	-
Pupil Premium (note i)	-	282,511	(282,511)	-	-
Other DfE Group Grants (note ii)	-	499,245	(499,245)	-	-
Local Authority Grants (note iii)	-	149,585	(149,585)	-	-
Pension Reserve (note iv)	(3,119,000)	-	(243,000)	(319,000)	(3,681,000)
Other	-	256,000	(256,000)	-	-
	(3,119,000)	8,965,088	(9,068,139)	(458,949)	(3,681,000)
<b>Restricted fixed asset funds</b>					
Assets transferred from LEA	20,440,964	-	(256,689)	-	20,184,275
DfE Group capital grants	330,770	117,194	(116,330)	-	331,634
Assets acquired from GAG	-	-	(52,196)	139,949	87,753
	20,771,734	117,194	(425,215)	139,949	20,603,662
<b>Total restricted funds</b>	17,652,734	9,082,282	(9,493,354)	(319,000)	16,922,662
Unrestricted	1,143,498	406,579	(121,393)	(181,000)	1,247,684
Designated (note v)	132,000	-	-	181,000	313,000
<b>Total unrestricted funds</b>	1,275,498	406,579	(121,393)	-	1,560,684
<b>Total funds</b>	18,928,232	9,488,861	(9,614,747)	(319,000)	18,483,346

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 16. Funds (continued)

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

Academy Trust	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (note i)	-	7,777,747	(7,637,798)	(139,949)	-
Pupil Premium (note i)	-	282,511	(282,511)	-	-
Other DfE Group ESFA Grants (note ii)	-	499,245	(499,245)	-	-
Local Authority Grants (note iii)	-	149,585	(149,585)	-	-
Pension Reserve (note iv)	(3,119,000)	-	(243,000)	(319,000)	(3,681,000)
Other	-	256,000	(256,000)	-	-
	(3,119,000)	8,965,088	(9,068,139)	(458,949)	(3,681,000)
<b>Restricted fixed asset funds</b>					
Assets transferred from LEA	20,440,964	-	(256,689)	-	20,184,275
DfE Group capital grants	330,770	117,194	(116,330)	-	331,634
Assets acquired from GAG	-	-	(52,196)	139,949	87,753
	20,771,734	117,194	(425,215)	139,949	20,603,662
<b>Total restricted funds</b>	17,652,734	9,082,282	(9,493,354)	(319,000)	16,922,662
Unrestricted	1,141,708	298,939	(13,753)	(181,000)	1,245,894
Designated (note v)	132,000	-	-	181,000	313,000
<b>Total unrestricted funds</b>	1,273,708	298,939	(13,753)	-	1,558,894
<b>Total funds</b>	18,926,442	9,381,221	(9,507,107)	(319,000)	18,481,556

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 17. Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:-

Group	Unrestricted funds £	Designated funds £	Restricted income funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	20,616,842	20,616,842
Net current assets	1,386,763	360,000	84,945	-	1,831,708
Long term liabilities	-	-	(16,999)	-	(16,999)
Pension scheme liability	-	-	(4,419,000)	-	(4,419,000)
<b>Total net assets</b>	<b>1,386,763</b>	<b>360,000</b>	<b>(4,351,054)</b>	<b>20,616,842</b>	<b>18,012,551</b>
<b>Academy Trust</b>	<b>Unrestricted funds £</b>	<b>Designated funds £</b>	<b>Restricted income funds £</b>	<b>Restricted fixed asset funds £</b>	<b>Total funds £</b>
Tangible fixed assets	-	-	-	20,616,842	20,616,842
Net current assets	1,386,594	360,000	84,945	-	1,831,539
Long term liabilities	-	-	(16,999)	-	(16,999)
Pension scheme liability	-	-	(4,419,000)	-	(4,419,000)
<b>Total net assets</b>	<b>1,386,594</b>	<b>360,000</b>	<b>(4,351,054)</b>	<b>20,616,842</b>	<b>18,012,382</b>

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

Group	Unrestricted funds £	Designated funds £	Restricted income funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	20,603,662	20,603,662
Net current assets	1,247,684	313,000	16,999	-	1,577,683
Long term liabilities	-	-	(16,999)	-	(16,999)
Pension scheme liability	-	-	(3,681,000)	-	(3,681,000)
<b>Total net assets</b>	<b>1,247,684</b>	<b>313,000</b>	<b>(3,681,000)</b>	<b>20,603,662</b>	<b>18,483,346</b>
<b>Academy Trust</b>	<b>Unrestricted funds £</b>	<b>Designated funds £</b>	<b>Restricted income funds £</b>	<b>Restricted fixed asset funds £</b>	<b>Total funds £</b>
Tangible fixed assets	-	-	-	20,603,662	20,603,662
Net current assets	1,245,894	313,000	16,999	-	1,575,893
Long term liabilities	-	-	(16,999)	-	(16,999)
Pension scheme liability	-	-	(3,681,000)	-	(3,681,000)
<b>Total net assets</b>	<b>1,245,894</b>	<b>313,000</b>	<b>(3,681,000)</b>	<b>20,603,662</b>	<b>18,481,556</b>

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 18. Commitments under operating leases

#### Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:-

	2021 £	2020 £
Amounts due within one year	41,980	36,706
Amounts due between one and five years	47,253	45,744
	<u>89,233</u>	<u>82,450</u>

### 19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Net income/(expenditure) for the reporting year (as per the statement of financial activities)	21,205	(125,886)
Adjusted for:-		
Depreciation (note 11)	427,258	425,215
Capital grants from DfE and other capital income	(34,395)	(117,194)
Interest receivable (note 6)	(14)	(112)
Defined benefit pension scheme cost less contributions payable (note 25)	182,000	189,000
Defined benefit pension scheme finance cost (note 25)	64,000	54,000
Decrease/(increase) in stocks	-	23,561
(Increase) in debtors	(125,022)	(41,250)
Increase/(decrease) in creditors	345,922	(1,036,014)
<b>Net cash provided by/(used in) operating activities</b>	<u>880,954</u>	<u>(628,680)</u>

### 20. Cash flows from investing activities

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Dividends, interest and rents from investments	14	112
Purchase of tangible fixed assets	(459,488)	(257,143)
Capital grants from DfE Group	54,444	97,145
<b>Net cash provided by/(used in) investing activities</b>	<u>(405,030)</u>	<u>(159,886)</u>

### 21. Cash flows from financing activities

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
D of E capital loan	-	-



# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

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22. Analysis of cash and cash equivalents	At 31 August 2021 £	At 31 August 2020 £
Cash in hand and at bank	2,196,664	1,720,740
<b>Total cash and cash equivalents</b>	<b>2,196,664</b>	<b>1,720,740</b>

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### 23. 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.

### 24. 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 Merseyside Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the year ended 31 March 2012 and of the LGPS 31 March 2016.

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

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and, from 1 January 2007, automatic too for teachers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 24. Pension and similar obligations (continued)

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2020 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following the link to [the Teachers' Pension Scheme website](#).

The employer's pension costs paid to the TPS in the period amounted to £930,285 (2020: £845,061).

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.

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2020, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

#### Local Government Pension Scheme

The LGPS is funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £362,000 (2020: £302,000), of which employer's contributions totalled £287,000 (2020: £235,000) and employees' contributions totalled £75,000 (2020: £67,000). The agreed contribution rates for future years are 14 per cent for employers and 11 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

As the scheme is in deficit the academy has entered into an agreement with the scheme trustees to make additional contributions of £96,642 per year in addition to normal funding levels. These additional contributions are expected to continue for the foreseeable future.

Principal actuarial assumptions	At 31 August	At 31 August
	2021	2020
	%	%
Rate of increase in salaries	4.3	3.8
Rate of increase for pensions in payment/inflation	2.9	2.4
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.8	2.3

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued) Year ended 31 August 2021

### 24. Pension and similar obligations (continued)

#### Local government pension scheme (continued)

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

	At 31 August 2021 Years	At 31 August 2020 Years
<b>Retiring today</b>		
Males	21.0	20.9
Females	24.1	24.0
<b>Retiring in 20 years</b>		
Males	22.6	22.5
Females	26.0	25.9

Sensitivity analysis (impact on liability)	At 31 August 2021 £'000	At 31 August 2020 £'000
Discount rate +0.1% pa	(148)	(116)
Mortality assumption - 1 year increase in life expectancy	200	144
CPI rate +0.1% pa	151	119
Pay growth + 0.1% pa	20	19

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

	Fair value at 31 August 2021 £	Fair value at 31 August 2020 £
Equities	990,000	645,000
Gilts	27,000	33,000
Corporate bonds	228,000	183,000
Property	183,000	119,000
Cash and other liquid assets	35,000	71,000
Other	465,000	273,000
<b>Total market value of assets</b>	<b>1,928,000</b>	<b>1,324,000</b>

The actual return on scheme assets was £278,000 (2020 -£7,000).

Amounts recognised in the Statement of Financial Activities	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Current service cost	463,000	413,000
Past service cost	-	6,000
Net interest cost	64,000	54,000
Administrative expenses	6,000	5,000
<b>Total amount recognised in the SOFA</b>	<b>533,000</b>	<b>478,000</b>

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

### 24. Pension and similar obligations (continued)

#### Local government pension scheme (continued)

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

	2021 £	2020 £
<b>At 1 September 2020</b>	5,005,000	4,110,000
Current service cost	463,000	413,000
Past service cost	-	6,000
Interest cost	91,000	75,000
Employee contributions	75,000	67,000
Actuarial (gain)/ loss	744,000	339,000
Benefits paid	(31,000)	(5,000)
<b>At 31 August 2021</b>	6,347,000	5,005,000

Changes in the fair value of academy trust's share of scheme assets:	2021 £	2020 £
<b>At 1 September 2020</b>	1,324,000	991,000
Interest on plan assets	27,000	21,000
Actuarial gain	252,000	20,000
Administration expenses	(6,000)	(5,000)
Employer contributions	287,000	235,000
Employee contributions	75,000	67,000
Benefits paid	(31,000)	(5,000)
<b>At 31 August 2021</b>	1,928,000	1,324,000

### 25. Related parties

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 governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial year.

W Segal, a Deputy Headteacher is also employed by WJEC English Languages (Examining) for marking examination papers. During the year, the Academy Trust paid WJEC English Languages (Examining) £9,217 (2020: £21,366) in examination fees.

# STEPHENSON MULTI ACADEMY TRUST

## Notes to the Financial Statements (continued)

Year ended 31 August 2021

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### 25. Related parties (continued)

During the year, the academy trust acquired poster design services from K A Design amounting to £825 (2020 £nil). A McKeegan, a Deputy Headteacher is the husband of the owner of this business.

During the year, the academy trust acquired website hosting and design services from Future Studios amounting to £3,791 (2020 £nil). J Thorogood, the Headteacher is the wife of the owner of this business.

During the year, the academy trust acquired fairground rides for a student fun day from J E Silcock and Sons Amusements amounting to £2,980 (2020 £nil). R Owens, the Chief Operating Officer is an acquaintance of a director of this business.

### 26. Subsidiary undertaking

The academy trust is in a position to control the operations of Rainhill Arts College CIC, a company registered in England and Wales.

The loss for the year was £1,621 and it's capital and reserves at 31 August 2021 was £169.

# STEPHENSON MULTI ACADEMY TRUST

## Detailed Income and Expenditure Account Year ended 31 August 2021

*These pages do not form part of the statutory financial statements*

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
<b>Income</b>		
<b>General annual grant</b>	8,502,417	7,777,747
<b>Other government grants</b>		
Devolved capital formula grant	34,395	117,194
Pupil premium	287,317	282,511
Bursary funding	22,534	23,920
Other ESFA/DofE funding	484,767	464,291
Covid catch up premium	134,077	-
Other DfE/ESFA Covid-19 funding	72,410	11,034
	1,035,500	898,950
<b>Local authority grants</b>		
Special Educational Needs	164,843	149,585
Pupil premium	12,180	-
LAC	11,333	-
	188,356	149,585
<b>Donations</b>		
General donations	44,192	202,285
<b>Hire of facilities</b>		
Facilities and services	46,056	64,900
<b>Other income</b>		
Student placement fees	118,074	256,000
Uniforms	7,084	24,995
Catering	292,153	13,215
Other sundry income	182,752	101,072
Insurance claim	112,110	-
	712,173	395,282
<b>Investment income</b>		
Bank interest receivable	14	112
<b>Total income</b>	10,528,708	9,488,861

# STEPHENSON MULTI ACADEMY TRUST

## Detailed Income and Expenditure Account Year ended 31 August 2021

*These pages do not form part of the statutory financial statements*

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
<b>Staff</b>		
Salaries	5,229,743	4,910,490
Employers' national insurance	495,367	454,326
Pensions cost	1,353,316	1,276,316
Apprenticeship Levy	11,029	9,485
Supply staff	309,627	249,037
Staff restructuring	-	28,515
Staff training	-	16,907
Staff travel	434	3,396
Net interest cost on defined benefit pension scheme	64,000	54,000
<b>Total staff costs</b>	<b>7,463,516</b>	<b>7,002,472</b>
<b>Maintenance of premises</b>		
Buildings	71,431	67,630
Grounds	34,041	31,674
	<b>105,472</b>	<b>99,304</b>
<b>Other occupancy costs</b>		
Cleaning	207,327	166,392
Water	27,846	7,886
Gas	36,111	39,867
Electricity	52,550	81,187
Rent	51,502	-
Rates	34,829	34,245
Insurance	30,708	29,358
Furniture and equipment	16,446	20,011
Other	16,652	5,738
	<b>473,971</b>	<b>384,684</b>
<b>Educational supplies and services</b>		
Books and teaching equipment	183,690	151,414
Trips and activities	49,617	256,690
Professional services	302,949	350,873
Examination fees	123,601	134,359
Other	24,144	47,273
Vehicle costs	6,118	9,304
Pupil support	92,325	-
	<b>782,444</b>	<b>949,913</b>
<b>Partners share of grant income</b>		
FEFA	416,853	439,549
<b>Balance carried forward</b>	<b>9,242,256</b>	<b>8,875,922</b>

# STEPHENSON MULTI ACADEMY TRUST

## Detailed Income and Expenditure Account Year ended 31 August 2021

*These pages do not form part of the statutory financial statements*

Expenditure (continued)	Year ended 31 August 2021 £	Year ended 31 August 2020 £
<b>Balance brought forward</b>	9,242,256	8,875,922
<b>Other supplies and services</b>		
Legal and professional fees	60,109	8,616
Auditors' remuneration	12,287	17,611
Bank charges	1,499	2,264
Advertising and marketing	39,269	43,585
Catering	353,947	-
	467,111	72,076
<b>Technology costs (not capitalised)</b>		
Equipment	41,241	5,616
Consumables	16,940	15,166
Software	22,802	17,269
Support services	163,022	76,252
Communications	7,711	12,408
	251,716	126,711
<b>Other expenditure</b>		
Staff recruitment and induction	25,059	30,933
Uniforms	10,347	33,258
General office	3,517	4,896
Postage, stationery and reprographics	45,364	44,630
Other	34,875	1,106
	119,162	114,823
Depreciation	427,258	425,215
<b>Total Expenditure</b>	10,507,503	9,614,747
<b>Total surplus/(deficit)</b>	21,205	(125,886)