

Company Registration No. 10167860 (England and Wales)

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

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

CHATSWORTH MULTI ACADEMY TRUST

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CHATSWORTH MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

B Murden (resigned 1 September 2021)
F Brower
I McKinlay
J Pardoe-Brooke (appointed 30 March 2021)
C Andrew

Trustees

C Andrew (Chair of Trustees)
A Bent
Dr M Hanbury (Accounting Officer)
L Hutchinson
O Johnson (Resigned 31 July 2021)
E Sawyer (Resigned 30 September 2020)
J Corker (Resigned 9 November 2020)
D Deane (Resigned 20 October 2020)
S Woodgate (Appointed 30 March 2021)
P Willoughby (Appointed 23 April 2021)

Senior management team

- Chief Executive Officer, Principal, Chatsworth Futures	Dr M Hanbury
- Headteacher, Chatsworth High School and Community College	H Birkinhead
- Vice Principal, Chatsworth Futures	B Cocken
- Deputy Headteacher, Chatsworth High School and Community College	G Myers
- Assistant Headteacher, Chatsworth High School and Community College	C Donnelly
- Assistant Headteacher, Chatsworth High School and Community College	C Surrey

Company registration number 10167860 (England and Wales)

Registered office

Chatsworth Road
Eccles
Manchester
M30 9DY

Auditors

Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Bankers

Lloyds Bank
42-46 Market Street
Manchester
M1 1PW

CHATSWORTH MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Stone King LLP
1 Park Row
Leeds
LS1 5HN

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the accounts and auditor's report 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 Chatsworth Multi Academy Trust operates an academy for pupils aged 11 – 19 years serving a catchment area in Salford Local Authority and an Independent Specialist College (ISC) for learners aged 19 – 25 years. The academy is registered for 140 pupils and at the academy census in May 2021 had 139 pupils on roll. At the current time the academy has 150 pupils on roll. The ISC is called Chatsworth Futures and in September 2020 there were 25 learners attending Chatsworth Futures.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The charitable company is known as Chatsworth Multi Academy Trust.

The trustees of Chatsworth 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 these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

Chatsworth Futures is not eligible for the RPA scheme as it is not an academy. Consequently, a separate insurance schedule has been purchased from Hiscox Insurance Company Limited to cover all relevant aspects of the college's operation.

Method of recruitment and appointment or election of trustees

The trustees of the Chatsworth Multi Academy Trust are invited to join the board due to their specific areas of expertise and skill. The members of the academy trust are tasked with agreeing the appointment of trustees as outlined in the Department for Education's Governance Handbook 2017 (page 46).

Trustees completed a skills audit in Autumn 2020 which informed their recruitment of further Trustees by identifying key strengths and areas for development.

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and procedures adopted for the induction and training of trustees

During the last academic year, Trustees introduced a new Code of Conduct which outlined the legal framework, roles and responsibilities, expected behaviour and core intent of the Trustee Board. This Code has been incorporated into the Trustee Manual which supports the recruitment process for Trustees. Prospective Trustees are identified and approached to determine if they would consider joining the Board. If they are open to this, they complete a Trustee application form before meeting with the Trustee Board for discussion. Following this, if all parties are in agreement, individuals are invited to observe a Trustee meeting prior to a formal offer to join the Board.

This process brought two new Trustees to Board during 2020 – 2021. Sue Woodgate is a former Headteacher and Assistant Director of Education who joined the Board in Spring 2021. Paul Willoughby is a project manager in a major insurance company who joined the Board in the Summer 2021.

Organisational structure

The organisational structure of the academy trust is a simple hierarchy with members recognised as the signatories to the articles of the academy trust and therefore responsible for ensuring that the academy trust fulfils its charitable object. Trustees are both charity trustees and company directors of the academy trust who manage the business of the academy trust and fulfil all the executive functions of the academy trust.

A Scheme of Delegation and a Scheme of Financial Delegation outline the roles and responsibilities of Members, Trustees, Governors and officers of the Trust. In accordance with these documents, the Chatsworth High School and Community College local governing body is responsible for the operation of the academy and for ensuring that standards within the academy are maintained at a high level. The Chatsworth Futures local governing body is responsible for the operation of the college and ensuring that high standards are achieved and maintained.

This structure is depicted as Members > Trustees > Local Governing Body: Chatsworth High School and Community College and Local Governing Body: Chatsworth Futures.

Arrangements for setting pay and remuneration of key management personnel

The Trustees are responsible for the performance management of the Chief Executive Officer and all decisions regarding remuneration arising from this process. The academy's local governing board is responsible for the performance management of the Headteacher in conjunction with the Chief Executive Officer. The Chief Executive Officer advises the local governing board's Headteacher Pay Committee who is responsible for all decisions regarding remuneration. The Chief Executive Officer currently serves as principal of Chatsworth Futures and therefore all decisions regarding remuneration are addressed as described above.

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	665
Total pay bill	3,948,587
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Related parties and other connected charities and organisations

Chatsworth Multi Academy Trust is connected to Chatsworth Engage CIC as defined by the relevant Charities SORP with which it has transacted. Chatsworth Engage CIC is an Independent Life Skills Group incorporated as a Community Interest Company which provides community based activities and care for people who experience learning difficulties. Many of these people are former pupils at Chatsworth High School and Community College and learners from Chatsworth Futures and there is a strong association between the Trust and Chatsworth Engage.

Objectives and activities

Objects and aims

The objects and aims of the academy trust as laid down in its articles of association are to advance for the public benefit of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

The objects and aims of the academy trust are enshrined in the Mission Statement and Core Values of the academy trust which are outlined below:

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Mission Statement

The Chatsworth Multi Academy Trust has been established to bring together high quality provision, professionals and practitioners in the Greater Manchester area in order to maximise the quality of education, care and opportunity for children and young people with special educational needs and disabilities.

The Chatsworth Multi Academy Trust aims to provide an integrated and continuous pathway for the learning and development of children and young people from 0 – 25 years which is inclusive and aspirational. Throughout the academy trust individuals are valued for themselves, challenged to achieve excellence in everything they do and share a bond of mutual respect for others and the environment in which they learn.

The Chatsworth Multi Academy Trust is a safe, open and progressive learning community in which all children and young people are at the heart of everything we do as we strive with energy, enthusiasm and enjoyment to achieve excellence together.

Core values

1. To provide a safe, healthy and secure learning community which serves the Greater Manchester area and in which children and young people thrive and develop.
2. To deliver excellence in the quality of education for children and young people with special educational needs and disabilities by combining and sharing the knowledge, skills and expertise of all partners across the academy trust.
3. To support the health needs of all children and young people in the academy trust in order to enable their learning potential to be fully achieved.
4. To achieve excellence across the academy trust through a shared process of rigorous self-evaluation focused on the quality of teaching and assessment that underpins good or better progress and positive pupil outcomes.
5. To engender a culture of mutual respect, care and fairness throughout the academy trust in which each individual is explicitly valued and their achievements are celebrated.
6. To ensure that excellence in learning is achieved through enjoyment, excitement, energy and enthusiasm in all children and young people.
7. To sustain a financially viable academy trust in which resources are employed efficiently according to best value principles and shared fairly according to needs.
8. To work in a proactive and positive partnership with parents and carers to support the holistic development of their child.
9. To create and nurture a staff team of the highest quality through effective and safe recruitment, frequent and regular continuing professional learning and opportunities for career development.
10. To build resilience in all children and young people in order to support their personal development, behaviour and well-being and support their transition into happy, fulfilling and empowered adult lives.

Objectives, strategies and activities

In order to achieve the academy trust's objects, this mission and secure these values the academy trust will ensure that the quality of learning for all pupils and learners is of a consistently high calibre, that there is a sound financial basis for the operation and strategic development of the academy trust and that partnership with all parents, carers and agencies is beneficial to all pupils and learners.

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. Trustees have undertaken a variety of activities which further the academy trust's purposes for public benefit. Activities include:

- Ofsted inspection work
- Consultancy programme for schools in the region
- School Improvement Partnership commissioned by Liverpool Local Authority
- Providing training for local schools and colleges
- Participation in the Buile Hill SCITT
- Support for Edge Hill University and Manchester Metropolitan University
- Collaboration with Salford City Council to develop adult day provision
- Membership of Salford Schools Forum
- Membership of Salford City Council SEND Board and CWD Expert Reference Group

Strategic report

Achievements and performance

Despite the disruption to learning caused by the pandemic, pupils and learners across the Trust continued to achieve well. In Chatsworth High School and Community College 94% of pupils met their individualised targets and in Chatsworth Futures 93.26% individualised targets were met.

The school fulfilled its obligations for maintaining educational provision throughout the pandemic lockdown periods via a combination of face to face, on site learning and a strong and highly effective remote learning programme which enabled all pupils to access learning regardless of their individual circumstances.

The school acted as a testing centre on the resumption of full access education in line with government requirements. This involved a well co-ordinated, individually tailored programme for pupils which supported families in ensuring pupils, wherever possible, were tested for Covid-19.

Key performance indicators

Self evaluation and quality assurance processes have been significantly disrupted by the pandemic. However, certain key metrics were available to support evaluation in this area. The Chatsworth Futures SAR, which is externally moderated, judged the college to be Good in all areas with 91.25% of KPIs met.

No similar judgements are available for the academy and this will be addressed during the next academic year. However, it is important to note that senior leaders met all of those performance management targets which were not nullified by the impact of the pandemic. Moreover, all pupils' annual reviews for their EHCPs were completed and all mandatory staff training was completed. Given the challenges of the pandemic, these are considerable achievements.

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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The vast majority of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities. The trust also received grants from the ESFA and other organisations. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the statement of financial activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2021, total expenditure of £5,203,464 was incurred which excludes depreciation of £71,870 and FRS102 service costs of £40,000 which was more than covered by the recurrent grant income from the ESFA, together with other incoming resources of £2,222,254. Total funds carried forward amount to £761,693 excluding the restricted fixed asset fund of £204,910 and the deficit on the pension reserve of £3,230,000. This is in line with the trust's strategy to build and maintain adequate reserves to meet the long-term cyclical needs of renewal and any unforeseen contingencies. Unrestricted income in the year ended 31 August 2021 amounted to £86,791. Unrestricted expenditure amounted to £10,344.

At 31 August 2021 the net book value of fixed assets amounted to £204,910 and movements in fixed assets are shown in note 12 of the financial statements. The cost of fixed asset additions in the year ended 31 August 2021 amounted to £37,699.

Reserves policy

At the end of the academic year 2020-21, reserves (excluding the restricted fixed asset fund and the deficit on the pension reserve) were £761,693.

These reserves will be used prudently to ensure the continuing financial viability of the academy trust providing stability to pupil and learner led income streams which are variable across the special needs sector due to the demographic fluctuations in the SEND population year on year. Trustees have identified a minimum of £175,000 be held in reserve.

Investment policy

The academy trust has no plans for investments of any kind.

Principal risks and uncertainties

The Trusts expanded the remit of the Finance Committee and established a Finance, Audit and Risk Committee during 2020 – 2021. This FAR Committee now manages risks across the Trust as per the Risk Register and strategic financial scrutiny.

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The principal risks and uncertainties facing the Trust have been described within the Trust's Risk Register developed during 2020 – 2021. This document also outlines the measures being taken for managing or mitigating those risks.

The risks are as follows:

1. There is a risk that the current Quality of Education does not meet the required standard (as identified in the Autumn Term Self Assessment) which indicated a number of key areas of practice as potential risks
2. There is a risk that costs increase due to the Covid-19 pandemic
3. There is a risk that governance becomes ineffective due to declining numbers of Trustees on the Board
4. There is a risk that Chatsworth Futures suffers reputational damage following the Ofsted rating of Inadequate
5. There is a risk that the organisation becomes isolated and inward looking due to it being a specialist provision provider under the current restrictions
6. There is a risk that the Trust will miss opportunities to maximise the use of available financial resources without a qualified Finance Officer
7. There is a risk that the existing accommodation will no longer be suitable if the numbers of pupils / learners increase
8. There is a risk that Strategic Development is impacted due to the relative inexperience at Head Teacher / Vice Principal of Chatsworth Futures level compounded by a challenging time in national education
9. There is a risk that efficiency may be compromised through operating across three sites. This will be compounded by future staff turnover
10. There is a risk that career development is impacted by the current SLT/MLT structure

Further uncertainty is compounded by the continued suspension of the Trust's Strategic Development Plan (SDP) as a direct result of the pandemic. This will necessitate the redesign and approval of the SDP as a matter of urgency.

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

Approach to fundraising

All fundraising was carried out by employees of the trust on behalf of the trust and registered charity Chatsworth High Association of Parents and Staff (C.H.A.P.S.), charity number 1022748, via planned events. The academy trust does not use any external fundraisers. Activities have been limited due to the ongoing pandemic although this has not significantly impacted on the finances of the trust.

Work with, and oversight of, any commercial participators / professional fundraisers

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

Fundraising conforming to recognised standards

All fundraising in respect of activities on behalf of the Trust / C.H.A.P.S. took place with regard to the Charities (Protection and Social Investment) Act 2016.

Monitoring of fundraising carried out on its behalf

Fundraising activities were monitored by the CEO on behalf of the trust and the chair of the PTA (C.H.A.P.S.). An Annual Return to the Charities Commission was also submitted. All monitoring and evaluation requirements laid down by funding bodies were strictly adhered to.

Fundraising complaints

No fundraising complaints were received.

Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate

Only parents, carers and businesses with an existing relationship with the trust / C.H.A.P.S. were contacted in relation to fundraising activities. Contact was made via letters to parents and carers to inform them of planned fundraising events and these communications were approved via a member of the senior leadership team. Local businesses were contacted via letter or in person to request donations for planned events and these methods of communication were approved by a member of the senior leadership team. All trust employees are required to adhere to an Employee Code of Conduct as part of their contractual terms and conditions.

Funding applications made and received on behalf of the trust:

Booth Charities	£ 3,000.00
Healthy Schools Fund	£ 5,000.00
Salford CVS Transition Project	£23,594.18

Funding activities carried out by the Trust on behalf of other organisations:

BBC Children in Need	£ 96.00
Manchester Children's Hospital	£ 127.96

PTA - C.H.A.P.S activities

Easter raffle	£ 117.00
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Plans for future periods

As discussed previously, the Trust's SDP needs to be redesigned following the impact of the pandemic. Nonetheless, immediate and obvious areas for development include:

1. Estates – significant estates development will be required to meet the needs of increasing numbers of pupils and learners
2. Leadership Structure – the leadership teams in both the school and college will need to become embedded in order to secure and sustain high quality education
3. Development and Growth – the Trust will need to explore further collaborations or mergers with other Trusts

CHATSWORTH MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

In so far 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.

Jackson Stephen LLP was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 16 December 2021 and signed on its behalf by:



C Andrew

Chair of Trustees

CHATSWORTH MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Chatsworth Multi Academy Trust and the Secretary of State for Education. The accounting officer is 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 four times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
C Andrew (Chair of Trustees)	4	4
A Bent	4	4
Dr M Hanbury (Accounting Officer)	4	4
L Hutchinson	4	4
O Johnson (Resigned 31 July 2021)	3	4
E Sawyer (Resigned 30 September 2020)	3	4
J Corker (Resigned 9 November 2020)	0	1
D Deane (Resigned 20 October 2020)	0	1
S Woodgate (Appointed 30 March 2021)	2	3
P Willoughby (Appointed 23 April 2021)	2	2

Having reviewed the effectiveness of governance of the academy trust, trustees are of the view that the current board is effective. A skills audit has been conducted and the board has concluded that there are gaps in some areas but that these are not currently adversely affecting the activity of the academy trust. Any future development of the academy trust may require further skills and attributes being sought and the board being expanded accordingly. A further skills audit will be conducted at the end of the current academic year.

The Finance, Risk and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to determine the financial strategies underpinning the work of the trust ensuring that the trust remains viable and focuses funding on the strategic priorities identified in the development plan. The Finance Committee scrutinises budget planning and expenditure providing best value challenges to senior leaders in the trust. The committee usually meets approximately two weeks before trustee meetings and provides verbal reports to trustees based around the minutes of the Finance Committee meeting.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Bent	3	3
Dr M Hanbury (Accounting Officer)	3	3
L Hutchinson	3	3

CHATSWORTH MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

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

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

The accounting officer for the academy trust has sought to deliver improved value for money during the year by reviewing service level agreements for finance, human resources, payroll and legal services and continuing the development of the business support team in order to secure efficiencies. A new leadership structure has been achieved within the school and the college in order to help improve financial efficiency.

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 Chatsworth Multi Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

Review of effectiveness

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

- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

CHATSWORTH MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

Approved by order of the board of trustees on 16 December 2021 and signed on its behalf by:



C Andrew
Chair of Trustees



Dr M Hanbury
Accounting Officer

CHATSWORTH MULTI ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2021*

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

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



Dr M Hanbury
Accounting Officer

16 December 2021

CHATSWORTH MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Chatsworth Multi Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:



C Andrew
Chair of Trustees

CHATSWORTH MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATSWORTH MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Chatsworth Multi Academy Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the trust balance sheet, the consolidated 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 Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the group's and the charitable parent company'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 year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

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 accounts' 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 accounts 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 accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

CHATSWORTH MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATSWORTH MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 accounts are prepared is consistent with the accounts; 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

CHATSWORTH MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATSWORTH MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Irregularities and 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.

Based on our understanding of the MAT and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 2006, the Charities Act 2011, employment, pension and health and safety legislation and regulation through the Secretary of State for Education as principal regulator, acting through the Education and Skills Funding Agency and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the consolidated financial statements such as the Companies Act 2006, the Charities' Statement of Recommended Practice and the Academies Financial Handbook.

We evaluated management's incentives and opportunities for fraudulent manipulation of the consolidated financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the consolidated financial statements;
- enquiring of management about actual and potential litigation and claims, their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- 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 regulatory correspondence with the Secretary of State for Education;
- obtaining an understanding of provisions; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating 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.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts 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.

CHATSWORTH MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATSWORTH MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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.

E. P. Atkinson

Peter Atkinson F.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP

20 December 2021
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Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

CHATSWORTH MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 15 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chatsworth 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 Chatsworth 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 the Chatsworth 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 Chatsworth Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Chatsworth Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 September 2016 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- A review of the systems in place that govern income, purchases and payroll
- Substantive testing of the income and expenditure of the academy, including credit/charge cards and expenses
- Analytical review
- Obtaining evidence relevant to the regularity and propriety of the academy's income and expenditure

CHATSWORTH MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

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.

Jackson Stepler LLP

Reporting Accountant

Jackson Stephen LLP

Dated: 20 December 2021

CHATSWORTH MULTI ACADEMY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	-	-	18,007	7,476
Charitable activities:					
- Funding for educational operations	4	-	3,866,956	3,866,956	3,589,514
- Funding for Chatsworth Futures Ltd	4,26	18,390	855,671	887,887	562,332
Other trading activities	5	68,298	131,300	199,598	60,435
Investments	6	103	-	103	335
Total		<u>86,791</u>	<u>4,853,927</u>	<u>4,972,551</u>	<u>4,220,092</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	10,344	4,423,301	4,487,958	3,906,702
- Chatsworth Futures Ltd	8,26	-	809,819	827,376	511,004
Total	7	<u>10,344</u>	<u>5,233,120</u>	<u>5,315,334</u>	<u>4,417,706</u>
Net income/(expenditure)		76,447	(379,193)	(342,783)	(197,614)
Transfers between funds	17	-	5,134	-	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(655,000)	(655,000)	23,000
Net movement in funds		76,447	(1,029,059)	(997,783)	(174,614)
Reconciliation of funds					
Total funds brought forward		163,025	(1,678,720)	(1,265,614)	(1,091,000)
Total funds carried forward		<u>239,472</u>	<u>(2,707,779)</u>	<u>(2,263,397)</u>	<u>(1,265,614)</u>

CHATSWORTH MULTI ACADEMY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020		Unrestricted funds	Restricted funds: General Fixed asset		Total 2020
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	-	7,476	7,476
Charitable activities:					
- Funding for educational operations	4	-	3,589,514	-	3,589,514
- Funding for Chatsworth Futures Ltd	4,26	20,286	531,046	11,000	562,332
Other trading activities	5	60,435	-	-	60,435
Investments	6	335	-	-	335
Total		81,056	4,120,560	18,476	4,220,092
Expenditure on:					
Charitable activities:					
- Educational operations	8	18,031	3,842,633	46,038	3,906,702
- Chatsworth Futures Ltd	8,26	-	488,004	23,000	511,004
Total	7	18,031	4,330,637	69,038	4,417,706
Net income/(expenditure)		63,025	(210,077)	(50,562)	(197,614)
Transfers between funds	17	-	(39,643)	39,643	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	23,000	-	23,000
Net movement in funds		63,025	(226,720)	(10,919)	(174,614)
Reconciliation of funds					
Total funds brought forward		100,000	(1,452,000)	261,000	(1,091,000)
Total funds carried forward		163,025	(1,678,720)	250,081	(1,265,614)

CHATSWORTH MULTI ACADEMY TRUST

GROUP BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		204,910		239,081
Current assets					
Debtors	15	568,552		432,127	
Cash at bank and in hand		404,353		641,181	
		<u>972,905</u>		<u>1,073,308</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(211,212)		(470,003)	
Net current assets			<u>761,693</u>		<u>603,305</u>
Net assets excluding pension liability			<u>966,603</u>		<u>842,386</u>
Defined benefit pension scheme liability	19		(3,230,000)		(2,108,000)
Total net liabilities			<u>(2,263,397)</u>		<u>(1,265,614)</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			204,910		250,081
- Restricted income funds			522,221		429,280
- Pension reserve			(3,230,000)		(2,108,000)
Total restricted funds			<u>(2,502,869)</u>		<u>(1,428,639)</u>
Unrestricted income funds	17		<u>239,472</u>		<u>163,025</u>
Total funds			<u>(2,263,397)</u>		<u>(1,265,614)</u>

The accounts were approved by the trustees and authorised for issue on 16 December 2021 and are signed on their behalf by:



C Andrew
Chair of Trustees

CHATSWORTH MULTI ACADEMY TRUST

ACADEMY BALANCE SHEET AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		103,766		148,730
Current assets					
Debtors	15	361,244		299,255	
Cash at bank and in hand		331,799		570,181	
		<u>693,043</u>		<u>869,436</u>	
Current liabilities					
Creditors: amounts falling due	16	(181,209)		(466,431)	
		<u></u>		<u></u>	
Net current assets			511,834		403,005
			<u></u>		<u></u>
Net assets excluding pension liability			615,600		551,735
			<u></u>		<u></u>
Defined benefit pension scheme	19	(3,230,000)		(2,108,000)	
		<u></u>		<u></u>	
Total net liabilities		(2,614,400)		(1,556,265)	
		<u></u>		<u></u>	
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			103,766		148,730
- Restricted income funds			322,038		271,266
- Pension reserve			(3,230,000)		(2,108,000)
			<u></u>		<u></u>
Total restricted funds			(2,804,196)		(1,688,004)
			<u></u>		<u></u>
Unrestricted income funds	17		189,796		131,739
			<u></u>		<u></u>
Total funds		(2,614,400)		(1,556,265)	
		<u></u>		<u></u>	

The accounts were approved by the trustees and authorised for issue on 16 December 2021 and are signed on their behalf by:



C Andrew
Chair of Trustees

Company Number 10167860

CHATSWORTH MULTI ACADEMY TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	20		(231,079)		165,106
Cash flows from investing activities					
Dividends, interest and rents from investments		117		335	
Capital grants from DfE Group		31,833		7,476	
Purchase of tangible fixed assets		(37,699)		(48,439)	
Net cash used in investing activities			(5,749)		(40,628)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(236,828)		124,478
Cash and cash equivalents at beginning of the year			641,181		516,703
Cash and cash equivalents at end of the year			404,353		641,181

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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

The academy trust is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this academy, which are intended to give a true and fair view of the assets, liabilities, financial position and financial activities of the group. The academy has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts 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 accounts.

1.3 Basis of consolidation

The consolidated financial statements incorporate those of Chatsworth Multi Academy Trust and its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 August 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.4 Income

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

Grants

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

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

1.6 Tangible fixed assets and depreciation

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

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold building improvements	10 year straight line
Computer equipment	3 year straight line
Fixtures, fittings & equipment	5 year straight line
Motor vehicles	4 year reducing balance

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

1.7 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 of services it must provide.

1.8 Leased assets

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

1.9 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 are recognised in the period to which they relate.

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

1.12 Fund accounting

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

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

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

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.13 PFI arrangements

The Academy has a PFI arrangement in place which covers maintenance and facility management arrangements. Payments are accounted for in the period to which they relate. The academy buildings were built under a PFI agreement, as at 31 August 2021 the agreement has a further 8 years to run. The local authority will continue to pay the unitary charge to the PFI provider under the pre-existing PFI contract. In turn, the academy trust will continue to pay the local authority but there may be a shortfall, known as an affordability gap, which fluctuates based on the number of pupils attending the school in any given academic year. The local authority will fund the affordability gap until the contract expires.

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

2 Critical accounting estimates and areas of judgement

Accounting 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Consolidated Total 2021 £	Consolidated Total 2020 £
Capital grants	-	18,007	18,007	7,476

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Consolidated Total 2021 £	Consolidated Total 2020 £
DfE/ESFA grants				
General annual grant (GAG)	-	1,400,000	1,400,000	1,023,573
Other DfE/ESFA grants:				
Chatsworth Futures Ltd	18,390	869,497	887,887	562,332
Others	-	244,702	244,702	156,329
	<u>18,390</u>	<u>2,514,199</u>	<u>2,532,589</u>	<u>1,742,234</u>
Other government grants				
Local authority grants	-	2,222,254	2,222,254	2,409,612
	<u>-</u>	<u>2,222,254</u>	<u>2,222,254</u>	<u>2,409,612</u>
Total funding	<u>18,390</u>	<u>4,736,453</u>	<u>4,754,843</u>	<u>4,151,846</u>

The academy trust received £2,222,254 (2020: £2,409,612) from the local authority in the year, being £2,208,004 high needs funding and £14,250 other school funds income from Salford Council, Warrington Council, Manchester City Council, Bury Council and Wigan Council.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Consolidated Total 2021 £	Consolidated Total 2020 £
Catering income	8,509	-	8,509	11,776
Parental contributions	1,797	-	1,797	14,067
Other income	57,992	131,300	189,292	34,592
	<u>68,298</u>	<u>131,300</u>	<u>199,598</u>	<u>60,435</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Consolidated Total 2021 £	Consolidated Total 2020 £
Short term deposits	117	-	117	335
	<u>117</u>	<u>-</u>	<u>117</u>	<u>335</u>

CHATSWORTH MULTI ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2021**

7	Expenditure				Consolidated	Consolidated
		Staff costs	Non-pay expenditure		Total	Total
		£	Premises	Other	2021	2020
		£	£	£	£	£
	Academy's educational operations					
	- Direct costs	1,336,899	13,575	91,571	1,442,045	1,246,460
	- Allocated support costs	2,287,382	561,696	196,835	3,045,913	2,660,246
	Chatsworth Futures Ltd					
	- Direct costs	570,839	-	39,969	610,808	344,324
	- Allocated support costs	-	17,557	199,011	216,568	166,676
		<u>4,195,120</u>	<u>592,828</u>	<u>527,386</u>	<u>5,315,334</u>	<u>4,417,706</u>
	Net income/(expenditure) for the year includes:				2021	2020
					£	£
	Fees payable to auditor for audit services				14,000	11,000
	Operating lease rentals				15,795	17,582
	Depreciation of tangible fixed assets				71,870	69,038
	Net interest on defined benefit pension liability				40,000	37,000
					<u></u>	<u></u>
8	Charitable activities				Consolidated	Consolidated
		Unrestricted	Restricted		Total	Total
		funds	funds		2021	2020
		£	£		£	£
	Direct costs					
	Educational operations	1,200	2,051,653		2,052,853	1,590,784
	Support costs					
	Educational operations	9,144	3,253,337		3,262,481	2,826,922
		<u>10,344</u>	<u>5,304,990</u>		<u>5,315,334</u>	<u>4,417,706</u>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

(Continued)

	2021 £	2020 £
Analysis of direct costs		
Teaching and educational support staff costs	1,907,738	1,414,808
Staff development	9,812	6,999
Depreciation	31,132	38,400
Technology costs	18,463	26,857
Educational supplies and services	84,142	97,120
Examination fees	366	738
Educational consultancy	-	-
Other direct costs	1,200	5,862
	<u>2,052,853</u>	<u>1,590,784</u>
Analysis of support costs		
Support staff costs	2,287,382	2,072,826
Depreciation	40,738	30,638
Technology costs	13,753	1,433
Premises costs	586,938	516,375
Legal costs	20,804	18,174
Other support costs	300,609	168,583
Governance costs	12,257	18,893
	<u>3,262,481</u>	<u>2,826,922</u>

Maintenance of premises includes PFI charges of totalling £446,935 (2020: £449,000). These amounts are paid to the local authority, are index linked and the Academy is committed to these payments until 2029.

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Staff costs

Staff costs during the year were:

	Consolidated 2021 £	Consolidated 2020 £
Wages and salaries	2,247,938	2,141,813
Social security costs	252,090	223,000
Pension costs	877,720	735,891
Chatsworth Futures Ltd	570,839	297,540
Staff costs - employees	3,948,587	3,398,244
Agency staff costs	246,533	80,582
Staff restructuring costs	-	8,804
Staff development and other staff costs	4,195,120 9,812	3,487,630 6,999
Total staff expenditure	<u>4,204,932</u>	<u>3,494,629</u>
Staff restructuring costs comprise:		
Redundancy payments	<u>-</u>	<u>8,804</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2020: £8,804). Individually, in the prior year the payment was £8,804.

Staff numbers

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

	Consolidated 2021 Number	Consolidated 2020 Number
Teachers	32	23
Administration and support	82	83
Management	8	7
	<u>122</u>	<u>113</u>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

(Continued)

Higher paid staff

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

	Consolidated 2021 Number	Consolidated 2020 Number
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
£100,001 - £110,000	1	1
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £551,149 (2020: £473,000).

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

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

M Hanbury (Executive Headteacher)

Remuneration: £100,001 - £105,000 (2020: £90,001 - £95,000)

Employer's pension contributions: £20,001 - £25,000 (2020: £20,001 - £25,000)

During the year ended 31 August 2021, no travel and subsistence payments were reimbursed or paid directly to trustees (2020: £232).

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000. The cost of this insurance is included in the total insurance cost.

12 Surplus for the financial year

As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities has been presented for the academy alone. The deficit attributable to the academy for the year ending 31 August 2021 was £1,058,294 (2020: £225,942).

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets - group

	Leasehold building improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2020	86,753	89,958	158,837	59,264	394,812
Additions	20,717	3,956	13,026	-	37,699
	<u>107,470</u>	<u>93,914</u>	<u>171,863</u>	<u>59,264</u>	<u>432,511</u>
At 31 August 2021	107,470	93,914	171,863	59,264	432,511
Depreciation					
At 1 September 2020	(3,000)	52,240	75,290	31,201	155,731
Charge for the year	13,575	16,428	34,828	7,039	71,870
	<u>10,575</u>	<u>68,668</u>	<u>110,118</u>	<u>38,240</u>	<u>227,601</u>
At 31 August 2021	10,575	68,668	110,118	38,240	227,601
Net book value					
At 31 August 2021	<u>96,895</u>	<u>25,246</u>	<u>61,745</u>	<u>21,024</u>	<u>204,910</u>
At 31 August 2020	<u>89,753</u>	<u>37,718</u>	<u>83,547</u>	<u>28,063</u>	<u>239,081</u>

13 Tangible fixed assets - academy

	Leasehold building improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2020	-	91,210	148,837	59,264	299,311
Additions	-	3,956	5,393	-	9,349
	<u>-</u>	<u>95,166</u>	<u>154,230</u>	<u>59,264</u>	<u>308,660</u>
At 31 August 2021	-	95,166	154,230	59,264	308,660
Depreciation					
At 1 September 2020	-	53,090	66,290	31,201	150,581
Charge for the year	-	16,428	30,846	7,039	54,313
	<u>-</u>	<u>69,518</u>	<u>97,136</u>	<u>38,240</u>	<u>204,894</u>
At 31 August 2021	-	69,518	97,136	38,240	204,894
Net book value					
At 31 August 2021	<u>-</u>	<u>25,648</u>	<u>57,094</u>	<u>21,024</u>	<u>103,766</u>
At 31 August 2020	<u>-</u>	<u>38,120</u>	<u>82,547</u>	<u>28,063</u>	<u>148,730</u>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

14 Subsidiaries

Details of the company's subsidiaries at 31 August 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Interest
Chatsworth Futures Limited (Company no. 09017482)	Vicarage Road, Swinton, Manchester, M27 0WA	Provision of education to young adults with special needs	100% controlled

15 Debtors

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
VAT recoverable	56,232	11,759	46,893	11,759
Other debtors	311	-	-	-
Prepayments and accrued income	512,009	420,368	314,351	287,496
	<u>568,552</u>	<u>432,127</u>	<u>361,244</u>	<u>299,255</u>

16 Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Trade creditors	14,378	11,463	7,904	11,463
Other creditors	4,202	4,199	4,199	4,199
Accruals and deferred income	192,632	454,341	169,106	450,769
	<u>211,212</u>	<u>470,003</u>	<u>181,209</u>	<u>466,431</u>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds - group

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	39,774	1,400,000	(1,209,553)	-	230,221
Other DfE/ESFA grants	-	460,218	(465,352)	5,134	-
Other government grants	97,506	2,862,409	(2,959,915)	-	-
Other restricted funds	292,000	131,300	(131,300)	-	292,000
Pension reserve	(2,108,000)	-	(467,000)	(655,000)	(3,230,000)
	<u>(1,678,720)</u>	<u>4,853,927</u>	<u>(5,233,120)</u>	<u>(649,866)</u>	<u>(2,707,779)</u>
Restricted fixed asset funds					
Inherited on conversion	204,000	-	-	-	204,000
DfE group capital grants	13,082	31,833	(39,781)	(5,134)	-
Capital expenditure from GAG	32,999	-	(32,089)	-	910
	<u>250,081</u>	<u>31,833</u>	<u>(71,870)</u>	<u>(5,134)</u>	<u>204,910</u>
Total restricted funds	<u>(1,428,639)</u>	<u>4,885,760</u>	<u>(5,304,990)</u>	<u>(655,000)</u>	<u>(2,502,869)</u>
Unrestricted funds					
General funds	163,025	68,401	(10,344)	-	221,082
Chatsworth Futures Ltd	-	18,390	-	-	18,390
	<u>163,025</u>	<u>86,791</u>	<u>(10,344)</u>	<u>-</u>	<u>239,472</u>
Total funds	<u>(1,265,614)</u>	<u>4,972,551</u>	<u>(5,315,334)</u>	<u>(655,000)</u>	<u>(2,263,397)</u>

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

Restricted general funds are those that have been designated restricted by the grant provider in meeting the objectives of the academy.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which there was no specific capital funding in the year.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds - group

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	1,023,573	(972,800)	(10,999)	39,774
Other DfE/ESFA grants	-	466,481	(426,837)	(39,644)	-
Other government grants	162,000	2,641,506	(2,706,000)	-	97,506
Other restricted funds	151,000	-	141,000	-	292,000
Pension reserve	(1,765,000)	-	(366,000)	23,000	(2,108,000)
	<u>(1,452,000)</u>	<u>4,131,560</u>	<u>(4,330,637)</u>	<u>(27,643)</u>	<u>(1,678,720)</u>
Restricted fixed asset funds					
Transfer on conversion	239,000	-	(35,000)	-	204,000
DfE group capital grants	-	7,476	(34,038)	39,644	13,082
Capital expenditure from GAG	22,000	-	-	10,999	32,999
	<u>261,000</u>	<u>7,476</u>	<u>(69,038)</u>	<u>50,643</u>	<u>250,081</u>
Total restricted funds	<u>(1,191,000)</u>	<u>4,139,036</u>	<u>(4,399,675)</u>	<u>23,000</u>	<u>(1,428,639)</u>
Unrestricted funds					
General funds	<u>100,000</u>	<u>81,056</u>	<u>(18,031)</u>	<u>-</u>	<u>163,025</u>
Total funds	<u>(1,091,000)</u>	<u>4,220,092</u>	<u>(4,417,706)</u>	<u>23,000</u>	<u>(1,265,614)</u>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds - academy

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	51,266	1,400,000	(1,349,228)	-	102,038
Other DfE/ESFA grants	-	244,702	(253,360)	8,658	-
Other government grants	220,000	2,222,254	(2,222,254)	-	220,000
Other restricted funds	-	131,300	(131,300)	-	-
Pension reserve	(2,108,000)	-	(467,000)	(655,000)	(3,230,000)
	<u>(1,836,734)</u>	<u>3,998,256</u>	<u>(4,423,142)</u>	<u>(646,342)</u>	<u>(2,907,962)</u>
Restricted fixed asset funds					
Inherited on conversion	73,000	-	-	-	73,000
DfE group capital grants	11,730	18,007	(54,313)	(8,658)	(33,234)
Capital expenditure from GAG	64,000	-	-	-	64,000
	<u>148,730</u>	<u>18,007</u>	<u>(54,313)</u>	<u>(8,658)</u>	<u>103,766</u>
Total restricted funds	<u>(1,688,004)</u>	<u>4,016,263</u>	<u>(4,477,455)</u>	<u>(655,000)</u>	<u>(2,804,196)</u>
Unrestricted funds					
General funds	131,739	68,401	(10,344)	-	189,796
	<u>131,739</u>	<u>68,401</u>	<u>(10,344)</u>	<u>-</u>	<u>189,796</u>
Total funds	<u>(1,556,265)</u>	<u>4,084,664</u>	<u>(4,487,799)</u>	<u>(655,000)</u>	<u>(2,614,400)</u>

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

Restricted general funds are those that have been designated restricted by the grant provider in meeting the objectives of the academy.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which there was no specific capital funding in the year.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds - academy

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	1,023,460	(972,194)	-	51,266
Other DfE/ESFA grants	-	156,442	(119,000)	(37,442)	-
Other government grants	220,000	2,409,612	(2,409,612)	-	220,000
Other restricted funds	-	-	-	-	-
Pension reserve	(1,765,000)	-	(366,000)	23,000	(2,108,000)
	<u>(1,545,000)</u>	<u>3,589,514</u>	<u>(3,866,806)</u>	<u>(14,442)</u>	<u>(1,836,734)</u>
Restricted fixed asset funds					
Inherited on conversion	88,000	-	(15,000)	-	73,000
DfE group capital grants	-	7,476	(33,188)	37,442	11,730
Capital expenditure from GAG	64,000	-	-	-	64,000
	<u>152,000</u>	<u>7,476</u>	<u>(48,188)</u>	<u>37,442</u>	<u>148,730</u>
Total restricted funds	<u>(1,393,000)</u>	<u>3,596,990</u>	<u>(3,914,994)</u>	<u>23,000</u>	<u>(1,688,004)</u>
Unrestricted funds					
General funds	89,000	60,770	(18,031)	-	131,739
	<u>89,000</u>	<u>60,770</u>	<u>(18,031)</u>	<u>-</u>	<u>131,739</u>
Total funds	<u>(1,304,000)</u>	<u>3,657,760</u>	<u>(3,933,025)</u>	<u>23,000</u>	<u>(1,556,265)</u>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds - group

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	204,910	204,910
Current assets	450,684	522,221	-	972,905
Creditors falling due within one year	(211,212)	-	-	(211,212)
Defined benefit pension liability	-	(3,230,000)	-	(3,230,000)
Total net assets	239,472	(2,707,779)	204,910	(2,263,397)

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	239,081	239,081
Current assets	633,028	440,280	-	1,073,308
Creditors falling due within one year	(470,003)	-	-	(470,003)
Defined benefit pension liability	-	(2,108,000)	-	(2,108,000)
Total net assets	163,025	(1,667,720)	239,081	(1,265,614)

18 Analysis of net assets between funds - academy

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are				
Tangible fixed assets	-	-	103,766	103,766
Current assets	371,005	322,038	-	693,043
Creditors falling due within one year	(181,209)	-	-	(181,209)
Defined benefit pension liability	-	(3,230,000)	-	(3,230,000)
Total net assets	189,796	(2,907,962)	103,766	(2,614,400)

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds - academy (Continued)

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are				
Tangible fixed assets	-	-	148,730	148,730
Current assets	598,170	271,266	-	869,436
Creditors falling due within one year	(466,431)	-	-	(466,431)
Defined benefit pension liability	-	(2,108,000)	-	(2,108,000)
Total net assets	131,739	(1,836,734)	148,730	(1,556,265)

19 Pension and similar obligations - group

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 Tameside Metropolitan Borough Council. Both are multi-employer defined benefit schemes.

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

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) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations - group

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £242,354 (2020: £238,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.9% to 29.5% for employers and 5.5% to 12.5% 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.

Total contributions made	2021 £	2020 £
Employer's contributions	255,000	230,000
Employees' contributions	82,000	75,000
Total contributions	337,000	305,000
Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.65	3.0
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations - group

(Continued)

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

	2021 Years	2020 Years
Retiring today		
- Males	20.5	20.5
- Females	23.3	23.1
Retiring in 20 years		
- Males	21.9	22.0
- Females	25.3	25.0

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021	2020
0.1% decrease in Real Discount Rate	(199,000)	(148,000)
0.1% increase in the Pension Increase Rate	171,000	124,000
0.1% increase in the Salary Increase Rate	25,000	21,000

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

	2021 Fair value £	2020 Fair value £
Equities	3,142,460	2,313,000
Bonds	663,900	544,000
Property	309,820	239,000
Cash	309,820	306,000
Total market value of assets	4,426,000	3,402,000

The actual return on scheme assets was £705,000 (2020: £(108,000)).

Amount recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	682,000	559,000
Interest income	(60,000)	(64,000)
Interest cost	100,000	101,000
Total operating charge	722,000	596,000

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations - group	(Continued)	
Changes in the present value of defined benefit obligations	2021	
	£	
At 1 September 2020	5,510,000	
Current service cost	682,000	
Interest cost	100,000	
Employee contributions	82,000	
Actuarial loss/(gain)	1,300,000	
Benefits paid	(18,000)	
	<hr/>	
At 31 August 2021	7,656,000	
	<hr/>	
Changes in the fair value of the academy trust's share of scheme assets	2021	
	£	
At 1 September 2020	3,402,000	
Interest income	60,000	
Actuarial (gain)/loss	645,000	
Employer contributions	255,000	
Employee contributions	82,000	
Benefits paid	(18,000)	
	<hr/>	
At 31 August 2021	4,426,000	
	<hr/>	
20 Reconciliation of net expenditure to net cash flow from operating activities	2021	2020
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(342,783)	(197,614)
Adjusted for:		
Capital grants from DfE and other capital income	(31,833)	(7,476)
Investment income receivable	(117)	(335)
Defined benefit pension costs less contributions payable	427,000	329,000
Defined benefit pension scheme finance cost	40,000	37,000
Depreciation of tangible fixed assets	71,870	69,038
(Increase) in debtors	(136,425)	(213,687)
(Decrease)/increase in creditors	(258,791)	149,180
	<hr/>	<hr/>
Net cash (used in)/provided by operating activities	(231,079)	165,106
	<hr/>	<hr/>

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	641,181	(236,828)	404,353

22 Long-term commitments, including operating leases

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

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Amounts due within one year	8,032	14,000	1,499	5,996
Amounts due in two and five years	2,642	12,000	-	1,499
	10,674	26,000	1,499	7,495

23 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length in accordance with the academy trust's financial regulations and normal procurement procedures.

The resolution has been passed that Chatsworth Multi Academy Trust was appointed as a member of Chatsworth Futures Limited pursuant to the Company's Articles of Association with effect from midnight on 1 September 2018. As a result, Chatsworth Futures Limited is a subsidiary of Chatsworth Multi Academy Trust and is included in Chatsworth Multi Academy Trust's consolidated financial statements for the year ended 31 August 2021.

During the year, wages were recharged to Chatsworth Engage CIC totalling £131,300 (2020: £117,171). Martin Hanbury is a common director of Chatsworth Engage CIC. At the year end an amount of £11,387 (2020: £21,794) was due from Chatsworth Engage CIC to Chatsworth Multi Academy Trust. Service recharges of £2,984 (2020: £6,943) were also received by Chatsworth Futures Limited from Chatsworth Engage CIC where Dr Martin Hanbury is a common director. In entering into the transaction, the academy has complied with the requirements of the Academies Financial Handbook 2020. These transactions are considered to be at cost and are considered to be value for money for the academy trust.

24 Members' liability - group

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, for the debts and liabilities contracted before he or she ceases to be a member.

CHATSWORTH MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Agency arrangements - group

The academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021, the trust received £5,364 (2020: £4,291) and disbursed £1,165 (2020: £92) from the fund. £4,199 (2020: £4,199) held as at 31 August 2021 are recorded within other creditors.

26 Chatsworth Futures Limited trading account

	2021		2020	
	£	£	£	£
Direct income				
Government grants		869,497		541,934
Other income		18,376		20,398
Total income		887,873		562,332
Other income				
Investment income		14		60
Total income		887,887		562,392
Direct costs				
Direct staff costs	570,839		297,540	
Other direct costs	39,969		46,784	
	610,808		344,324	
Other costs				
Depreciation	17,557		22,876	
Maintenance of premises and equipment	40,361		21,855	
Cleaning	21,088		9,463	
Travelling expenses	5,432		2,971	
Technology	8,899		15,407	
Legal and professional costs	8,068		10,169	
Other support costs	115,163		83,939	
	216,568		166,680	
Total operating costs		(827,376)		(511,004)
Surplus from Chatsworth Futures Ltd		60,511		51,388
Chatsworth Futures Ltd balances at 1 September 2020		292,290		240,902
Chatsworth Futures Ltd balances at 31 August 2021		352,801		292,290