

**Albany Learning Trust**  
(A Company Limited by Guarantee)

**Annual Report and Financial Statements**

**Year Ended 31<sup>st</sup> August 2022**

## **Albany Learning Trust**

### **Annual Report and Financial Statements**

#### **Year Ended 31st August 2022**

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**Albany Learning Trust**

**Trustees' Report**

**Year Ended 31<sup>st</sup> August 2022**

Members

A Wiles  
S Partington  
G Brindle  
T Ward

Trustees

H J Brown (Chair)  
R Gavan  
P Rainford  
D Conway  
C Bryant (Resigned 14/09/2021)  
R Hodge (Resigned 14/09/2021)  
A Purcell (Appointed 27/09/2021)  
P Dyson-Knight (Appointed 07/12/2021)  
W Ramsden (Appointed 07/12/2021)  
N Richards (Appointed 01/03/2022; Resigned 03/10/2022)

Executive Team

Mr P Mayland (CEO and Accounting Officer)  
Mr C Taylor (CFO)  
Miss L Burrows (Executive Headteacher)  
Mrs C Shaw (HR Manager)  
Mr J Boe (Estates Manager)  
Mr P Holmes (IT Manager)

Company Secretary

C Shaw

Principal and Registered Office

Albany Learning Trust  
Bolton Road  
Chorley  
PR7 3AY

Company Registration Number

08123168 (England and Wales)

Independent Auditor

CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

# **Albany Learning Trust**

## **Trustees' Report**

### **Year Ended 31<sup>st</sup> August 2022**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from the 1<sup>st</sup> September 2021 to the 31<sup>st</sup> August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The trust operates two academies for pupils aged 4-16, serving a catchment area in Chorley and Horwich. It has a pupil capacity of 1065 and had a roll of 1032 in the census on 6 October 2022.

#### **1. Structure, Governance and Management**

##### **1.1 Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Albany Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Albany Learning Trust.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

##### **1.2 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.

##### **1.3 Trustees' Indemnities**

The trust has purchased indemnity insurance to protect trustees and officers from claims arising in connection with trust business. The insurance provides cover of up to £2,000,000 on any one claim.

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

The trustees are appointed by the following:  
Appointed by the Members or Trust Board

##### **1.5 Policies and Procedures Adopted for the Induction and Training of Trustees.**

All trustees are provided with copies of the relevant trust policies, the funding agreement and code of conduct for trustees on appointment. Induction training is provided by the Chair and CEO and ongoing training is provided through a variety of activities and pathways coordinated by the clerk and CEO.

##### **1.6 Organisational Structure**

The trust is governed by its Trust Board, whose members are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. The organisational structure of the trust consists of three levels: the Trust Board, the accounting officer (CEO) and Executive Team and Headteachers of each school.

The Trust Board is responsible for setting general policies, adopting an improvement plans and budget, monitoring the trust's performance, making major policy decisions, appointing senior staff and permanent staff appointments. Certain elements of these responsibilities are delegated to the following committees who make recommendations to the Trust Board:

- Local Governing Committees
- Finance, Audit, Buildings & Staffing



## **Albany Learning Trust**

### **Trustees' Report**

#### **Year Ended 31<sup>st</sup> August 2022**

The CEO is also the Accounting Officer and has responsibility for the day-to-day leadership and management of the trust. The CEO is supported by the Executive Team.

The Executive Team comprised:

Mr P Mayland	(CEO and Accounting Officer)
Mr C Taylor	(CFO)
Miss L Burrows	(Executive Headteacher)
Mrs C Shaw	(HR Manager)
Mr J Boe	(Estates Manager)
Mr P Holmes	(IT Manager)

#### **1.7 Arrangements for Setting Pay and Remuneration of Key Management Personnel**

Trustees are unpaid volunteers. They are eligible for travel costs when they undertake duties on behalf of the Academy. Travel costs are benchmarked against Lancashire LA costs. Senior staff are paid in accordance with the trust pay policy, which takes into account STPCD and the size of the academy when setting the pay of the Head Teacher and other senior staff.

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

The trustees and their close family members are considered to be connected organisations. Any related party transactions have been disclosed in the accounts.

## **2. Objectives and Activities**

### **2.1 Objects and Aims**

The main objects of the Trust as set out in its governing document are:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an academy offering a broad and balanced curriculum; and
- To promote for the benefit of individuals living in Horwich, Chorley, and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The Trust aims to provide an outstanding education to all of our pupils in a caring and supportive environment.

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

The main objectives for the year were:

- To align our IT services, HR services and Finance services.
- To continue to develop our new curriculum planning; to continue to narrow the gap in pupil premium achievement.
- To develop a mentoring programme to support staff development
- To train coaches to spearhead our introduction of a coaching culture.
- To maintain high quality provision despite covid 19.

## **Albany Learning Trust**

### **Trustees' Report**

#### **Year Ended 31<sup>st</sup> August 2022**

##### **2.3 Public Benefit**

The trustees are aware of the Charity Commission Guidance on providing public benefit and have had due regard to this in exercising their duties during the year. Trustees are committed to developing the multi-academy trust (MAT) to develop a supportive partnership with other schools and to improve the efficiency of services offered by the Academy.

Albany Academy serves the area around Chorley and also takes students from north Bolton. Chorley New Road Primary Academy serves the community of Horwich in Bolton. Both schools have higher than national percentage of disadvantaged students.

Short term objectives remain improving our systems and practices and preparing for the new curriculum changes. Longer term aims relate to strengthening our partnerships with other providers and developing the trust.

##### **3. Strategic report**

###### **3.1 Achievements and Performance**

Achievement at Albany Academy is good. Pupil progress in 2015, 2016, 2018, and 2019 places the academy in the top 10 Lancashire schools for pupil progress. In 2020 there are no performance tables as a result of covid 19, however, in school analysis showed a P8 score well above average. FFT analysis for 2020 showed average progress. The pupil premium gap has been reduced in the past three years and English, a key subject for improvement identified the latest Ofsted inspection report (2014), achieved outstanding results in 2016, 2017, 2018 and again in 2019. Science, also recognised as underperforming historically achieved outcomes in 2018 above national averages and improved these in 2019. The Education Endowment Foundation recognise that all students make good progress. In 2021, again covid prevented exams and GCSE grades were awarded based on teacher assessed grades. Outcomes again were in line with expectations and with an attainment 8 score of 5.0 and a positive P8 score calculated by FFT. Only one subject had a negative progress score in 2021.

In 2022, GCSE exams went ahead but are not comparable to previous years. Attainment in most subjects at key thresholds were above national, Progress 8 was above national average (statistically in line) and attainment 8 in line with national and above the LA average.

Albany Academy is increasingly popular and has been heavily oversubscribed in each of the past five years, with over 600 applicants for 135 places. From 2017 to 2022 the Academy exceeded PAN and admitted 150 students.

Achievement at Chorley New Road Primary Academy is good and improving.

The percentage of Reception pupils attaining GLD has increased year on year from 2016 to 2019 and the number of Year 1 pupils passing the Phonics screening test has been consistently in line with national for the past 4 years.

KS1 data shows an upward trajectory in the percentage of pupils achieving EXS+ in all 3 areas: reading, writing and maths over the past 3 years.

There was an increase in the progress made in Reading, Writing and Maths in KS2 from 2016 to 2018 and a decline in 2019. A full analysis of the 2019 data was completed and robust action plans in place to secure future improvement.

Attainment from 2016 to 2018 showed a similar picture with percentages of pupils achieving EXS+ in Reading, Writing and Maths increasing but a dip in the 2019 cohort.

In 2022 SATS were undertaken for the first time but are not in the public domain. There was an increase in the percentage of pupils achieving the expected standard in Reading from 2019 64% and an increase in the percentage of pupils achieving the expected standard in maths from 2019 to 60%. The percentage of pupils achieving GD in 2022 has doubled from 2019 to 16%

There were further increases in the percentage of pupils achieving the expected standard in R,W,M from 2019 up to 49%.



## Albany Learning Trust

### Trustees' Report

#### Year Ended 31<sup>st</sup> August 2022

Mobility remains an issue at CNR when analysing data as the number of pupils that are educated at CNR for the full term is low- but is increasing. Because of this the progress that pupils show is often misleading as they sat their KS1 tests in another school and therefore, we cannot rely wholeheartedly on this data.

Over the years CNR has seen an increase in number on roll but there has been a recent decline in birth rate for this Receptions year intake, leading to a decline in numbers of roll currently.

#### 3.2 Key Performance Indicators

There are two schools in the trust, one is a large primary school and one is a small secondary school.

<b>Ofsted grades</b>	
There were 0 Ofsted inspections during the year. Both schools remain good.	
<b>High Performance Learning</b>	
HPL Pathway school	1
HPL World Class school	1
<b>KS2 Outcomes</b>	
KS2 data has not been published in 2020, 2021 or 2022.	
<b>KS4 Outcomes</b>	
KS4 data in 2022 is not comparable to previous years.	
A8	48.3
P8	0.06
Grade 5+ English & Maths	42%
<b>Financial performance</b>	
Staff costs as % of Total Expenditure	73%
Spending on particular areas as a percentage of total expenditure on energy.	Our spending in relation to other similar sized trusts on occupation is relatively high.
Revenue reserves as a percentage of total income.	Revenue reserves at Albany Academy have been invested in capital projects to improve facilities and reduce energy costs.
Spending on particular areas as a percentage of total expenditure on supply staff.	Supply staff costs have been very high during the past year due to staff absences.
Community Grant Funding as a percentage of total income.	Community grant funding is only 0.7% of income, which is very low when compared with similar trusts.

## **Albany Learning Trust**

### **Trustees' Report**

#### **Year Ended 31<sup>st</sup> August 2022**

#### **3.3 Going Concern**

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

#### **4. Financial Review**

##### **4.1 Operating and Financial Review**

The Academy's total incoming resources during the year were £6,768,000 (2021: £6,294,000, excluding £5,699,000 relating to the transfer of Chorley New Road Primary School). The majority of the Academy's income derives from central government funding via the Education & Skills Funding Agency, in the form of current grants. Total funding received for the Academy's educational operations in the year was £6,286,000 (2021: £5,770,000); further details are provided in note 4 to the accounts.

Total outgoing resources for the year were £7,217,000 (2021: £6,527,000). Excluding the effects of capital income, depreciation, movement on the Local Government Pension Scheme and other revaluations, the Trust has recorded a deficit of £173,000 (2021: surplus £17,000)

At the year end the Academy's total reserves were £9,508,000 (2021: £8,909,000), including unrestricted funds of £155,000 (2021: £414,000) and restricted funds of £9,353,000 (2021: £8,495,000). Restricted funds include fixed assets of £9,737,000 (2021: £11,474,000), less the LGPS pensions scheme deficit of £476,000 (2021: £2,985,000). At 31 August 2022 there was also a surplus on general restricted funds of £92,000 (2021: £6,000).

At 31 August 2022 all assets shown in the accounts were used exclusively for providing education and associated support services to students of the Academy.

During the year the LGPS pension deficit reduced from £2,985,000 to £476,000. The Academy does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future. 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.

The Academy's financial objectives are:

Applying at all times, best value principles in all purchases, monitoring and evaluating the value for money of all staff preventing all areas of wastage

These objectives were achieved in the financial year ended 31 August 2022.

##### **4.2 Reserves Policy**

Restricted GAG reserves:

The trustees have considered the level of GAG reserves which they believe will provide sufficient working capital to cover delays between the spending and receipt of grants and unexpected or planned future revenue and capital costs. At 31 August 2022 the Academy held GAG reserves of £92,000 (2021: £6,000).

Unrestricted reserves:

In addition to the GAG reserve, which can only be utilised for the restricted purposes set out in the Funding Agreement, the Academy holds unrestricted free reserves, which provide additional working capital and are not committed or designated. At 31 August 2022 the level of unrestricted reserves held was £155,000 (2021: £414,000).



## **Albany Learning Trust**

### **Trustees' Report**

#### **Year Ended 31<sup>st</sup> August 2022**

It is the Trustees' policy to aim to hold approximately one months' educational expenditure in general reserves, to provide an additional cushion to cover delays between spending and the receipt of income. At the year end the Academy held general reserves, including both GAG and unrestricted reserves, of £247,000 (2021: £420,000).

#### **4.3 Investment Policy**

All investments are agreed by the Trust Board, which has regard to the Charity Commission guidance in relation to charity investment policy. The Trust does not currently hold any investments other than cash, which is held for its normal operations. The Trust has adopted a low risk strategy to its cash holdings.

Surplus cash is held in an instant access deposit account to ensure that there is always access to sufficient cash to meet short and medium term requirements, whilst earning a competitive rate of interest on any surplus balances.

#### **4.4 Principal Risks and Uncertainties**

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching, health and safety, school trips, child protection and finances, and sufficient systems and procedures have been established to manage those risks. These risks are reviewed on an annual basis by the CEO and the Trust Board. A number of new operational systems have been implemented during the period in order to minimise specific risks. These include improved Quality Assurance procedures for the monitoring of learning and teaching, increased frequency of finance meetings to ensure resources are deployed to best effect and the revision of fire evacuation procedures. Trustees have undertaken a risk review and completed a risk register.

The principal risk is deemed to be the reliance on government funding via the ESFA. This funding is currently undergoing significant changes and this has introduced a degree of uncertainty into the education system. The risk here is mitigated in the following ways:

- Ensuring the Academy is relentless in providing an outstanding education for all learners
- Increasing pupil numbers
- Successful application for Capital Maintenance Grants
- Seeking out external sources of income such as lettings and grants

#### **4.5 Fundraising**

The Trust did not undertake any fundraising activities during the year.

#### **4.6 Streamlined Energy and Carbon Reporting**

Albany Learning Trust is not a large company, as determined by the Companies Act 2016 (gross annual income is below £36M and there are fewer than 250 employees) and therefore does not need to currently report on energy usage.

### **5. Plans for Future Periods**

The Academy plans to fully act upon the areas for development as detailed in the Academy Improvement Plan. Key areas remain responding to national curriculum changes, improving achievement of our pupil premium and high prior attaining pupils and refining our post -16 preparation.

**Albany Learning Trust**

**Trustees' Report**

**Year Ended 31<sup>st</sup> August 2022**

**6. 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.

A resolution proposing that CWR Chartered Accountants be reappointed as auditor of the charitable company 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 .....13/11/2022.....and signed on the board's behalf by:

..........  
H J Brown  
Chair of Trustees



## Albany Learning Trust

### Governance Statement

Year Ended 31<sup>st</sup> August 2022

#### 7.1 Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Albany Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### 7.2 Governance

The governance of Albany Academy consists of the Members (none of whom are Trustees), the Board of Trustees (and 2 committees) and Local Governing Committees for each academy. The performance of the committees and the Trust Board as a whole is reviewed on an annual basis and the chairs of the committees meet regularly with the CEO to evaluate this performance. Since conversion there have been a number of challenges to the Board of Trustees, including a number of new members, changes to funding, curriculum and examination changes and the requirements associated with academy status. These have been addressed through training sessions and the use of specialist organisations and in-house staff to provide the knowledge and skills needed by the Board of Trustees.

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the period. In addition, Trustees undertake a significant amount of academy business via email, link trustee arrangements and other informal visits to the academy. Trustees are involved in staff appointments. The CEO and Chair of the Board discuss Academy issues weekly.

Attendance during the period at meetings of the governing body was as follows:

Trustees	Meetings attended	Out of possible
H J Brown (Chair of Trust Board)	4	4
R Gavan	0	4
A Purcell	1	3
D Conway	3	4
P Dyson-Knight	2	2
W Ramsden	3	4
P Rainford	3	4
N Richards	0	2

There have been no key changes in the composition of the Board and no particular challenges have arisen for the Board during the year. The Trust Board has undertaken a skills analysis and following the end of term of Trustees will recruit to complement the skills gaps left by leaving Trustees.

The Finance, Audit, Buildings & Staffing Committee is a committee of the Trust Board. Its purpose is to provide strategic financial oversight of the Academy and report back to the Trust Board.

## Albany Learning Trust

### Governance Statement

#### Year Ended 31<sup>st</sup> August 2022

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
H J Brown (Chair of Trust Board)	3	3
R Gavan	0	3
D Conway	2	3
P Dyson-Knight	2	2
W Ramsden	0	2
P Rainford	2	3

#### 7.3 Review of Value for Money

As Accounting Officer the CEO has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

1. Ensuring that achievement of pupils has improved across the majority of key areas from previous years, with improvements in most subjects, including KS2 outcomes and most subjects at KS4.
2. High Performance Learning behaviours have been successfully integrated into the curricula of both schools. The student-centred approach helps develop children's perseverance and metathinking.
3. Overseeing successful capital bids to enable improvement of the teaching and learning environment at Albany Academy, specifically this year work has commenced on completing the fire system upgrade, improving the school heating through the condition improvement fund and investing in improved lighting to reduce electrical costs. Chorley New Road Academy is a pilot for DfE funding for flood management.
4. Continuing to narrow the pupil premium gap, especially of higher attainers and in maths where gaps have narrowed since 2016.
5. Continued to develop our offer for staff by transforming appraisal, and introducing structured coaching and mentoring.

#### 7.4 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 ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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 Albany Learning Trust for the year ended 31<sup>st</sup> August 2022 and up to the date of approval of the annual report and financial statements.



## **Albany Learning Trust**

### **Governance Statement**

#### **Year Ended 31<sup>st</sup> August 2022**

##### **7.5 Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31<sup>st</sup> August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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

The Academy Trust's system of internal 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.

The trust board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Haines Watts to perform additional checks. The reviewer's role includes performing a range of checks on the academy trust's financial systems. To ensure segregation of audit, the trust board has appointed CWR as external auditors.

The Board of Trustees has decided to buy-in an internal audit service from Haines Watts.

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

On a termly basis, the reviewer reports to the board of trustees, through the finance, audit, building and staffing committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the auditor prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The reviewer found that systems were in place and that there were no material control issues arising.

##### **7.7 Review of Effectiveness**

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the reviewer
- the 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
- the work of the external auditor
- correspondence from ESFA e.g. FNTI/NtI and 'minded to' letters.

**Albany Learning Trust**


**Governance Statement**

**Year Ended 31<sup>st</sup> August 2022**

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit, Building and Staffing Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on .....13/12/2022..... and signed on its behalf by:

  
.....  
H J Brown  
Chair of Trustees

  
.....  
P J Mayland  
CEO and Accounting Officer

**Albany Learning Trust**

**Statement on Regularity, Propriety and Compliance**

**Year Ended 31<sup>st</sup> August 2022**

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

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

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

  
.....  
P J Mayland  
CEO and Accounting Officer

Date: 13/12/22  
.....



## Albany Learning Trust

### Statement of Trustees' Responsibilities

#### Year Ended 31<sup>st</sup> August 2022

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

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

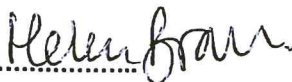
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on ...13/12/2022.....and signed on its behalf by:



.....  
H J Brown  
Chair of Trustees



## **Albany Learning Trust**

### **Independent Auditor's Report to the Members of Albany Learning Trust**

**Year Ended 31<sup>st</sup> August 2022**

#### **Opinion**

We have audited the financial statements of Albany Learning Trust (the 'Academy Trust') for the year ended 31<sup>st</sup> August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at the 31<sup>st</sup> August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

*(Continued)*

## **Albany Learning Trust**

### **Independent Auditor's Report to the Members of Albany Learning Trust**

#### **Year Ended 31<sup>st</sup> August 2022**

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

We have nothing to report in this regard.

#### **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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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*(Continued)*



**Albany Learning Trust**

**Independent Auditor's Report to the Members of Albany Learning Trust**

**Year Ended 31<sup>st</sup> August 2022**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the Academy Trust'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 Academy Trust'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 Academy Trust and the Academy Trust's Members as a body, for our audit work, for this report, or for the opinions we have formed.

  
.....  
Mr Robert Mitchell FCA (Senior Statutory Auditor)  
For and on behalf of CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

Date: .....15/12/2022.....

## **Albany Learning Trust**

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

#### **Year Ended 31<sup>st</sup> August 2022**

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

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

#### **Respective responsibilities of Albany Learning Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Albany Learning Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1<sup>st</sup> September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the Academy Trust as prescribed in Section 4 of the Guide For External Auditors section of the Academies Accounts Direction 2021 to 2022 issued by the ESFA; and
- Planning and performing any additional tests we deemed necessary to express and opinion on regularity.

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*(Continued)*

**Albany Learning Trust**

**Independent Reporting Accountant's Assurance Report on Regularity to Albany Learning Trust and the Education & Skills Funding Agency**

**Year Ended 31<sup>st</sup> August 2022**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from the 1<sup>st</sup> September 2021 to the 31<sup>st</sup> August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
.....  
Mr Robert Mitchell FCA (Senior Statutory Auditor)  
For and on behalf of CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

Date: 15/12/2022.....



## Albany Learning Trust

### Statement of Financial Activities incorporating Income & Expenditure Account

Year Ended 31<sup>st</sup> August 2022

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	6	125	131	177
Transfer from local authority on conversion		-	-	-	-	5,699
Charitable activities:						
Funding for the Academy Trust's educational operations	4	154	6,132	-	6,286	5,770
Other trading activities	5	36	315	-	351	347
Investments	6	-	-	-	-	-
<b>Total</b>		<b>190</b>	<b>6,453</b>	<b>125</b>	<b>6,768</b>	<b>11,993</b>
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust's educational operations	7,8	36	6,917	264	7,217	6,527
<b>Total</b>		<b>36</b>	<b>6,917</b>	<b>264</b>	<b>7,217</b>	<b>6,527</b>
<b>Net income/(expenditure)</b>		<b>154</b>	<b>(464)</b>	<b>(139)</b>	<b>(449)</b>	<b>5,466</b>
<b>Transfers between funds</b>	16	<b>(413)</b>	<b>210</b>	<b>203</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	16, 27	-	2,849	-	2,849	(187)
Revaluation of fixed assets	16	-	-	(1,801)	(1,801)	1,565
<b>Net movement in funds</b>		<b>(259)</b>	<b>2,595</b>	<b>(1,737)</b>	<b>599</b>	<b>6,844</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	16	414	(2,979)	11,474	8,909	2,065
<b>Total funds carried forward</b>	16	<b>155</b>	<b>(384)</b>	<b>9,737</b>	<b>9,508</b>	<b>8,909</b>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.



# Albany Learning Trust

## Balance Sheet

Year Ended 31<sup>st</sup> August 2022

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
<b>Fixed assets</b>					
Tangible assets	13		9,609		11,383
<b>Current assets</b>					
Debtors	14	261		410	
Cash at bank and in hand		<u>655</u>		<u>733</u>	
		916		1,143	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	15	<u>(541)</u>		<u>(632)</u>	
<b>Net current assets</b>			<u>375</u>		<u>511</u>
<b>Net assets excluding pension liability</b>			9,984		11,894
Defined benefit pension scheme liability	27		(476)		(2,985)
<b>Net assets including pension liability</b>			<u>9,508</u>		<u>8,909</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	16	9,737		11,474	
Restricted income fund	16	92		6	
Pension reserve	16	<u>(476)</u>		<u>(2,985)</u>	
<b>Total restricted funds</b>			9,353		8,495
<b>Unrestricted income funds</b>	16		155		414
<b>Total funds</b>			<u>9,508</u>		<u>8,909</u>

The financial statements on pages 21 to 49 were approved by the trustees, and authorised for issue on the .....13/12/2022..... and are signed on their behalf by:

..........  
H J Brown  
Chair of Trustees

Company Limited by Guarantee  
Registration Number: 08123168

**Albany Learning Trust**  
**Statement of Cash Flows**  
**Year Ended 31<sup>st</sup> August 2022**

	Notes	2022 £000	2021 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	88	371
<b>Cash flows from investing activities</b>			
	22	(166)	(303)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(78)</u>	<u>68</u>
<b>Cash and cash equivalents at 1<sup>st</sup> September 2021</b>		733	665
<b>Cash and cash equivalents at 31<sup>st</sup> August 2022</b>	23/24	<u>655</u>	<u>733</u>

# Albany Learning Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

### 1 Accounting policies

#### General information and basis of preparation

Albany Learning Trust is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements and the principal place of business is Bolton Road, Chorley PR7 3AY. The nature of the Academy Trusts operations and principal activities are set out in the Trustees' Report on page 3.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

#### Going concern

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

#### Income

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

- **Grants receivable**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

##### 1 Accounting policies (continued)

###### Income (continued)

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

###### 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.



# Albany Learning Trust

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> August 2022

#### 1 Accounting policies (continued)

##### Expenditure (continued)

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

##### Tangible fixed assets

Assets 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 restrictions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Land	125 years
Leasehold buildings	50 years
Computer equipment	3 years
Fixtures, fittings and equipment	5-10 years
Motor vehicles	5 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

The land and buildings of Chorley New Road were revalued in the current year by the ESFA at £4,355,000. The assets were revalued by a RICS approved valuer using depreciated replacement cost model. The land and buildings of Albany Academy were revalued in the previous year by the ESFA at £4,865,000. The assets were revalued by a RICS approved valuer using depreciated replacement cost model.

## **Albany Learning Trust**

### **Notes to the Financial Statements**

#### **Year Ended 31<sup>st</sup> August 2022**

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

###### **Liabilities**

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

###### **Provisions**

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

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

###### **Leased assets**

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

###### **Financial instruments**

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.



## **Albany Learning Trust**

### **Notes to the Financial Statements**

#### **Year Ended 31<sup>st</sup> August 2022**

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

###### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

###### **Pensions Benefits**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net operating income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability 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.

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

##### 1 Accounting policies (continued)

###### 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.

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

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

###### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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<sup>st</sup> March 2016 has been used by the actuary in valuing the pensions liability at 31<sup>st</sup> August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## Albany Learning Trust

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

#### 3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Capital grants	-	117	117	115
Donated fixed assets	-	8	8	60
Other donations	-	6	6	2
	<u>-</u>	<u>131</u>	<u>131</u>	<u>177</u>

Income from donations and capital grants was £131,000 (2021 - £177,000) of which £nil (2021 - £2,000) was attributable to unrestricted funds, £nil (2021 - £nil) was attributable to restricted general funds and £131,000 (2021 - £175,000) was attributable to restricted fixed asset funds.

£117,000 (2021 - £115,000) of government grants were received for capital and maintenance works.

#### 4 Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	5,310	5,310	4,746
Start-up grants	-	-	-	25
Other DfE Group grants:				
Pupil Premium	-	313	313	305
UIFSM	-	34	34	23
Other grants	-	143	143	220
	<u>-</u>	<u>5,800</u>	<u>5,800</u>	<u>5,319</u>
<b>Other Government grants</b>				
Local Authority grants	-	275	275	238
<b>Exceptional Government funding</b>				
Coronavirus Catch-up Premium	-	-	-	74
Other DfE/ESFA Covid-19 funding	-	40	40	36
	<u>-</u>	<u>40</u>	<u>40</u>	<u>110</u>
Other incoming resources	<u>154</u>	<u>17</u>	<u>171</u>	<u>103</u>
<b>Total</b>	<u>154</u>	<u>6,132</u>	<u>6,286</u>	<u>5,770</u>

Funding for Academy Trust's educational operations was £6,286,000 (2021 - £5,770,000) of which £154,000 (2021 - £96,000) was attributable to unrestricted funds, £6,132,000 (2021 - £5,674,000) was attributable to restricted general funds and £nil (2021 - £nil) was attributable to restricted fixed asset funds.

£6,115,000 (2021 - £5,667,000) of government grants were received for the purposes of the day to day running costs of the Academy and its charitable objectives.



## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

##### 5 Other trading activities

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Hire of facilities	18	-	18	7
Insurance proceeds	-	275	275	312
Other income	18	40	58	28
	<u>36</u>	<u>315</u>	<u>351</u>	<u>347</u>

Income from other trading activities was £351,000 (2021 - £347,000) of which £36,000 (2021 - £11,000) was attributable to unrestricted funds, £315,000 (2021 - £336,000) was attributable to restricted general funds and £nil (2021 - £nil) was attributable to restricted fixed asset funds.

##### 6 Investment income

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Short term deposits	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Investment income was £nil (2021 - £nil) of which £nil (2021 - £nil) was attributable to unrestricted funds, £nil (2021 - £nil) was attributable to restricted general funds and £nil (2021 - £nil) was attributable to restricted fixed asset funds.

## Albany Learning Trust

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

#### 7 Expenditure

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2022 £000	Total 2021 £000
Academy Trust's educational operations					
Direct costs	4,410	-	282	4,692	4,136
Allocated support costs	1,040	876	609	2,525	2,391
	<u>5,450</u>	<u>876</u>	<u>891</u>	<u>7,217</u>	<u>6,527</u>

£36,000 (2021 - £143,000) of the above expenditure on the Academy Trust's educational operations was attributable to unrestricted funds, £6,917,000 (2021 - £6,121,000) was attributable to restricted general funds and £264,000 (2021 - £263,00) was attributable to restricted fixed asset funds.

Net income/expenditure for the year includes:

	2022 £000	2021 £000
Operating lease rentals	18	28
Depreciation	264	263
Fees payable to the auditor for:		
Audit	7	10
Other services	5	2

No additional transactions have taken place under Section 5.2 of the 2021 Academies Financial Handbook which require additional disclosure.

## Albany Learning Trust

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

#### 8 Charitable activities

	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
<b>Direct costs – educational operations</b>	4,692	4,136
<b>Support costs – educational operations</b>	<u>2,525</u>	<u>2,391</u>
	<u>7,217</u>	<u>6,527</u>
<b>Analysis of direct costs</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Direct staff costs	4,410	3,817
Learning resources	152	188
Examination fees	44	35
Technology costs	55	55
Staff Development	31	41
<b>Total direct costs</b>	<u>4,692</u>	<u>4,136</u>
<b>Analysis of support costs</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Support staff costs	1,040	1,046
Depreciation	264	263
Technology costs	44	27
Premises costs	612	668
Legal costs – other	2	37
Other support costs	542	326
Governance costs	21	24
<b>Total support costs</b>	<u>2,525</u>	<u>2,391</u>



**Albany Learning Trust**

**Notes to the Financial Statements**

**Year Ended 31<sup>st</sup> August 2022**

**9 Staff**

**(a) Staff costs**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Staff costs during the period were:		
Wages and salaries	3,640	3,431
Social security costs	366	335
Pension costs	<u>1,164</u>	<u>993</u>
	5,170	4,759
Agency staff costs	239	100
Staff restructuring costs	41	4
	<u>5,450</u>	<u>4,863</u>
Staff restructuring costs comprise:		
Severance payments	<u>41</u>	<u>4</u>

**(b) Severance payments**

The Academy Trust paid 4 severance payments in the year, disclosed in the following bands:

	<b>No.</b>
£0 - £20,000	<u>4</u>

**(c) Special severance payments**

None of the above severance payments were classed as special severance payments.

**(d) Staff numbers**

The average number of persons employed by the Academy Trust during the year, was as follows:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Teachers	55	57
Administration and support	62	61
Management	<u>6</u>	<u>5</u>
	<u>123</u>	<u>123</u>

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 9 Staff (continued)

##### (e) Higher paid staff

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

	2022 No.	2021 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

##### (f) Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior executive team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £441,000 (2021: £358,000).

#### 10 Central services

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

- Human resources;
- Financial services;
- Legal services;
- Educational support services.

The Academy Trust charges for these services as a percentage of the GAG income of the individual academy. For the year ended 31<sup>st</sup> August 2022 this was 6.45% to Albany Academy and 4% to Chorley New Road Primary Academy.

The actual amounts charged during the year were as follows:

	2022 £000	2021 £000
Albany Academy	257	110
Chorley New Road Primary Academy	53	21
	<u>310</u>	<u>131</u>

#### 11 Related party transactions - Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment with the Academy Trust.

#### 12 Trustees' and officers' insurance

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

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 13 Tangible fixed assets

	Leasehold Land and Buildings £000	Computer Equipment £000	Fixtures, Fittings & Equipment £000	Motor Vehicles £000	<b>Total £000</b>
<b>Cost</b>					
At 1 <sup>st</sup> September 2021	11,021	374	525	7	<b>11,927</b>
Additions	-	62	229	-	<b>291</b>
Revaluation	(1,801)	-	-	-	<b>(1,801)</b>
At 31 <sup>st</sup> August 2022	<u>9,220</u>	<u>436</u>	<u>754</u>	<u>7</u>	<b><u>10,417</u></b>
<b>Depreciation</b>					
At 1 <sup>st</sup> September 2021	204	158	181	1	<b>544</b>
Charged in period	152	86	69	1	<b>308</b>
Revaluation	(44)	-	-	-	<b>(44)</b>
At 31 <sup>st</sup> August 2022	<u>312</u>	<u>244</u>	<u>250</u>	<u>2</u>	<b><u>808</u></b>
<b>Net book values</b>					
At 31 <sup>st</sup> August 2021	10,817	216	344	6	<b>11,383</b>
At 31 <sup>st</sup> August 2022	<u>8,908</u>	<u>192</u>	<u>504</u>	<u>5</u>	<b><u>9,609</u></b>



## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

##### 14 Debtors

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
VAT recoverable	20	59
Prepayments and accrued income	241	351
	<u>261</u>	<u>410</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	188	331
Other taxation and social security	87	68
Other creditors	129	67
Accruals and deferred income	137	166
	<u>541</u>	<u>632</u>

##### Deferred income

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Deferred income at start of year	41	27
Released from previous years	(41)	(27)
Resources deferred in the year	20	41
Deferred income at end of year	<u>20</u>	<u>41</u>

Deferred income at 31<sup>st</sup> August 2022 consists of £20,000 Universal Infant Free School Meals grant received in advance for the year ended 31<sup>st</sup> August 2023 (2021 £23,000) and £nil monies taken in advance for activities to take place in the year ended 31<sup>st</sup> August 2023 (2021 £18,000).

## Albany Learning Trust

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

#### 16 Funds

	Balance at 1 <sup>st</sup> September 2021 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 <sup>st</sup> August 2022 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	5,310	(5,428)	210	92
Pupil premium grant	-	313	(313)	-	-
UIFSM	-	34	(34)	-	-
Other DfE/ESFA grants	6	183	(189)	-	-
Local Authority grants	-	275	(275)	-	-
Other restricted funds	-	338	(338)	-	-
Pension reserve	(2,985)	-	(340)	2,849	(476)
	<b>(2,979)</b>	<b>6,453</b>	<b>(6,917)</b>	<b>3,059</b>	<b>(384)</b>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	10,733	-	(22)	(1,801)	8,910
DfE/ESFA capital grants	352	117	(148)	(193)	128
Other capitalised assets	389	8	(94)	396	699
	<b>11,474</b>	<b>125</b>	<b>(264)</b>	<b>(1,598)</b>	<b>9,737</b>
<b>Total restricted funds</b>	<b>8,495</b>	<b>6,578</b>	<b>(7,181)</b>	<b>1,461</b>	<b>9,353</b>
<b>Total unrestricted funds</b>	<b>414</b>	<b>190</b>	<b>(36)</b>	<b>(413)</b>	<b>155</b>
<b>Total funds</b>	<b>8,909</b>	<b>6,768</b>	<b>(7,217)</b>	<b>1,048</b>	<b>9,508</b>

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

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31<sup>st</sup> August 2022. At the year end the carry forward of GAG funding was £92,000.

Pupil Premium, UIFSM and other DfE/ESFA grants include monies received outside of GAG funding. At 31<sup>st</sup> August 2022 these funds had been fully spent.

Local Authority grants represent amounts payable to the Academy predominately from Lancashire County Council and Bolton Council. This includes funds which relate specifically to Special Educational Needs (SEN) funding. At 31<sup>st</sup> August 2022 these funds had been spent in full.

Other restricted funds include monies from non public funds, supply teacher insurance claims and grants etc. At 31<sup>st</sup> August 2022 these funds had been fully spent.

The pension reserve represents the value of the Academy's share of the deficit in Local Government Pension Schemes. The value of the deficit had decreased to £476,000 at the 31<sup>st</sup> August 2022.

DfE/ESFA capital grants represent capital monies received during the period from the ESFA. As at the 31<sup>st</sup> August 2022 £128,000 remained unspent and is carried forward.

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 16 Funds (continued)

Capitalised assets post conversion represents the value of assets purchased since conversion to academy status. These will be depreciated in line with the accounting policies set out in note 1.

The land and buildings of Chorley New Road were revalued in the current year by the ESFA at £4,355,000. The assets were revalued using depreciated replacement cost model.

Unrestricted funds represents funds generated via activities such as from lettings and bank interest receivable. At 31<sup>st</sup> August 2022 there was a surplus on these funds of £155,000.

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

	Balance at 1 <sup>st</sup> September 2020 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 <sup>st</sup> August 2021 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	4,746	(4,595)	(151)	-
Start-up grant	-	25	(25)	-	-
Pupil premium grant	-	305	(305)	-	-
UIFSM	-	23	(23)	-	-
Other DfE/ESFA grants	-	330	(324)	-	6
Local Authority grants	-	238	(238)	-	-
Other restricted funds	-	364	(364)	-	-
Pension reserve	(1,974)	(577)	(247)	(187)	(2,985)
	(1,974)	5,454	(6,121)	(338)	(2,979)
<b>Restricted fixed asset funds</b>					
Transfer on conversion	3,182	6,156	(170)	1,565	10,733
DfE/ESFA capital grants	248	115	(11)	-	352
Other capitalised assets	206	60	(82)	205	389
	3,636	6,331	(263)	1,770	11,474
<b>Total restricted funds</b>	1,662	11,785	(6,384)	1,432	8,495
<b>Total unrestricted funds</b>	403	208	(143)	(54)	414
<b>Total funds</b>	2,065	11,993	(6,527)	1,378	8,909



## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 16 Funds (continued)

##### Total funds analysis by academy

Fund balances at 31<sup>st</sup> August 2022 were allocated as follows:

	2022 £000	2021 £000
Albany Academy	22	260
Chorley New Road Primary Academy	217	160
Central services	8	-
Total before fixed assets and pension reserve	<u>247</u>	<u>420</u>
Restricted fixed asset fund	9,737	11,474
Pension reserve	(476)	(2,985)
<b>Total</b>	<u><u>9,508</u></u>	<u><u>8,909</u></u>

##### Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2022 £000	Total 2021 £000
Albany Academy	3,127	693	72	782	4,674	4,453
Chorley New Road Primary Academy	1,221	141	58	557	1,977	1,680
Central services	62	206	-	34	302	131
<b>Academy Trust</b>	<u><u>4,410</u></u>	<u><u>1,040</u></u>	<u><u>130</u></u>	<u><u>1,373</u></u>	<u><u>6,953</u></u>	<u><u>6,264</u></u>

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 17 Analysis of net assets between funds

Fund balances at 31<sup>st</sup> August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	9,609	9,609
Current assets	155	633	128	916
Current liabilities	-	(541)	-	(541)
Pension scheme liability	-	(476)	-	(476)
<b>Total net assets</b>	<u>155</u>	<u>(384)</u>	<u>9,737</u>	<u>9,508</u>

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	11,383	11,383
Current assets	414	638	91	1,143
Current liabilities	-	(632)	-	(632)
Pension scheme liability	-	(2,985)	-	(2,985)
<b>Total net assets</b>	<u>414</u>	<u>(2,979)</u>	<u>11,474</u>	<u>8,909</u>

#### 18 Capital commitments

	2022 £000	2021 £000
Contracted for, but not provided in the financial statements	<u>128</u>	<u>138</u>

#### 19 Commitments under operating leases

##### Operating leases

At 31<sup>st</sup> August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £000	2021 £000
Amounts due within one year	12	14
Amounts due between one and five years	12	8
	<u>24</u>	<u>22</u>

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 20 Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2022 £000	2021 £000
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(449)	5,466
Adjusted for:		
Net surplus on conversion to academy	-	(5,699)
Depreciation (note 13)	264	263
Capital grants from DfE and other capital income	(125)	(175)
Defined benefit pension scheme cost less contributions payable (note 27)	289	200
Defined benefit pension scheme finance cost (note 27)	51	47
Decrease/(increase) in debtors	149	(125)
(Decrease)/increase in creditors	(91)	274
Net cash introduced on conversion	-	120
<b>Net cash provided by operating activities</b>	<u>88</u>	<u>371</u>

#### 21 Cash flows from financing activities

	2022 £000	2021 £000
Repayments of borrowing	-	-
Cash inflows from borrowing	-	-
<b>Net cash provided by financing activities</b>	<u>-</u>	<u>-</u>

#### 22 Cash flows from investing activities

	2022 £000	2021 £000
Purchase of tangible fixed assets	(291)	(478)
Capital grants from DfE/ESFA	125	175
Capital funding received from others	-	-
<b>Net cash (used in) investing activities</b>	<u>(166)</u>	<u>(303)</u>

#### 23 Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	655	733
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<u>655</u>	<u>733</u>

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

#### 24 Analysis of changes in net debt

	At 1 <sup>st</sup> September 2021	Cash flows	Acquisition / disposal of subsidiaries	Finance leases	Other non-cash changes	At 31 <sup>st</sup> August 2022
Cash	733	(78)	-	-	-	<b>655</b>
Cash equivalents	-	-	-	-	-	-
Overdraft facilities repayable on demand	-	-	-	-	-	-
	<b>733</b>	<b>(78)</b>	-	-	-	<b>655</b>
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total</b>	<b>733</b>	<b>(78)</b>	-	-	-	<b>655</b>

#### 25 Contingent Liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any capital asset for which a Government Capital grant was received, the School is required to either re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, as the Secretary of State may require.

#### 26 Members' Liability

Each Member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a Member, or within one year after he/she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a Member.

#### 27 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lancashire County Pension Fund for Albany Academy and by Greater Manchester Pension Fund for Chorley New Road Primary Academy. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS was 31<sup>st</sup> March 2016 and of the LGPS 31<sup>st</sup> March 2019.

Contributions amounting to £92,000 (2021: £71,000) were payable to the schemes at 31<sup>st</sup> August 2022 and are included within creditors.



## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

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

##### 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<sup>st</sup> March 2016. The valuation report was published by the Department for Education on 5<sup>th</sup> March 2019. The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1<sup>st</sup> April 2024.

The pension costs paid to TPS in the period amounted to £558,000 (2021: £548,000).

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.

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

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

##### Local Government Pension Schemes

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31<sup>st</sup> August 2022 was £337,000 (2021: £310,000), of which employer's contributions totalled £268,000 (2021: £247,000), and employees' contributions totalled £69,000 (2021: £63,000).

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

As described in note 1 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

##### Albany Academy (Lancashire County Pension Fund)

The agreed contribution rates for future years are 19.7% for employers and the rate for employees remains dependant on the earnings of the employee. The estimated value of employer contributions for the forthcoming year is £215,000.

##### Principal Actuarial Assumptions

	At 31 <sup>st</sup> August 2022	At 31 <sup>st</sup> August 2021
Rate of increase in salaries	4.4%	4.2%
Rate of increase for pensions in payment / inflation	3.0%	2.8%
Discount rate for scheme liabilities	4.3%	1.7%
Inflation assumption (CPI)	2.9%	2.7%

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

	At 31 <sup>st</sup> August 2022	At 31 <sup>st</sup> August 2021
<i>Retiring today</i>		
Males	22.3	22.4
Females	25.0	25.1
<i>Retiring in 20 years</i>		
Males	23.7	23.9
Females	26.8	26.9

## Albany Learning Trust

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

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

##### Local Government Pension Schemes (continued)

##### Sensitivity analysis

	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4	
	Central	+0.1% pa discount rate	+0.1% pa inflation	+0.1% pa pay growth	1 year inc in life expectancy
	£000	£000	£000	£000	£000
Liabilities	3,397	3,329	3,466	3,401	3,468
Assets	(2,967)	(2,967)	(2,967)	(2,967)	(2,967)
Deficit	430	362	499	434	501
Projected service cost	215	209	221	215	220
Projected net interest	14	11	17	14	17

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 <sup>st</sup> August 2022	Fair value at 31 <sup>st</sup> August 2021
Equities	1,401	1,294
Corporate bonds	131	136
Property	323	256
Other	1,112	877
<b>Total market value of assets</b>	<b>2,967</b>	<b>2,563</b>

The actual return on scheme assets was £201,000 (2021: £305,000).

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

	2022 £000	2021 £000
Current service cost (net of employee contributions)	400	350
Interest income	(45)	(39)
Interest expense	81	73
<b>Total operating charge</b>	<b>436</b>	<b>384</b>

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

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

##### Local Government Pension Scheme (continued)

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

	2022 £000	2021 £000
<b>At 1<sup>st</sup> September 2021</b>	4,741	4,078
Current service cost	400	350
Interest cost	81	73
Employee contributions	54	51
Actuarial (gain)/loss	(1,818)	284
Benefits paid	(61)	(95)
<b>At 31<sup>st</sup> August 2022</b>	3,397	4,741

Changes in the fair value of Academy Trust's share of scheme assets:

	2022 £000	2021 £000
<b>At 1<sup>st</sup> September 2021</b>	2,563	2,104
Interest income	45	39
Return on plan assets (excluding interest income)	156	265
Administrative expenses	(5)	(5)
Employer contributions	215	204
Employee contributions	54	51
Benefits paid	(61)	(95)
<b>At 31<sup>st</sup> August 2022</b>	2,967	2,563

##### Chorley New Road Primary Academy (Greater Manchester Pension Fund)

The agreed contribution rates for future years are 20.8% for employers and the rate for employees remains dependant on the earnings of the employee for employers. The estimated value of employer contributions for the forthcoming year is £52,000.

##### Principal Actuarial Assumptions

	At 31 <sup>st</sup> August 2022	At 31 <sup>st</sup> August 2021
Rate of increase in salaries	3.80%	3.65%
Rate of increase for pensions in payment / inflation	3.05%	2.90%
Discount rate for scheme liabilities	4.25%	1.65%

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

	At 31 <sup>st</sup> August 2022	At 31 <sup>st</sup> August 2021
<i>Retiring today</i>		
Males	20.3	20.5
Females	23.2	23.3



## Albany Learning Trust

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2022

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

##### Local Government Pension Scheme (continued)

*Retiring in 20 years*

Males	21.6	21.9
Females	25.1	25.3

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 <sup>st</sup> August 2022	Approximate Monetary amount £000
0.1% decrease in real discount rate	23
1 year increase in member life expectancy	29
0.1% increase in the Salary Increase Rate	3
0.1% increase in the Pension Increase Rate (CPI)	20

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 <sup>st</sup> August 2022	Fair value at 31 <sup>st</sup> August 2021
Equities	465	424
Corporate bonds	94	90
Property	61	42
Other	54	42
<b>Total market value of assets</b>	<b>674</b>	<b>598</b>

The actual return on scheme assets was (£2,000) (2021: £100,000).

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

	2022 £000	2021 £000
Current service cost (net of employee contributions)	152	97
Interest income	(10)	(7)
Interest expense	25	15
<b>Total operating charge</b>	<b>167</b>	<b>105</b>

## Albany Learning Trust

### Notes to the Financial Statements

#### Year Ended 31<sup>st</sup> August 2022

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

##### Local Government Pension Scheme (continued)

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

	2022 £000	2021 £000
<b>At 1<sup>st</sup> September 2021</b>	1,405	-
Conversion of academy	-	1,013
Current service cost	152	97
Past service cost	-	-
Interest cost	25	15
Employee contributions	15	12
Actuarial (gain)/loss	(877)	268
Benefits paid	-	-
<b>At 31<sup>st</sup> August 2022</b>	<u>720</u>	<u>1,405</u>

Changes in the fair value of Academy Trust's share of scheme assets:

	2022 £000	2021 £000
<b>At 1<sup>st</sup> September 2021</b>	598	-
Conversion of academy	-	436
Interest income	10	7
Return on plan assets (excluding interest income)	(2)	100
Employer contributions	53	43
Employee contributions	15	12
Benefits paid	-	-
<b>At 31<sup>st</sup> August 2022</b>	<u>674</u>	<u>598</u>

#### 28 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 trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1<sup>st</sup> April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.